Economic Impact of St. Cloud State College: A Study into the Costs and the Economic Contributions of St. Cloud State College to the City of St. Cloud and the St. Cloud Area (May 1972)

Gerald Gamber
St. Cloud State College

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June 9, 1972

To: President Charles J. Graham
From: Gerald K. Gamber
Subject: Economic Impact of St. Cloud State College: A Study into the Costs and the Economic Contributions of St. Cloud State College to the City of St. Cloud and the St. Cloud Area; forwarding of.

1. The subject described study is forwarded. This is a revision of my second study dated May 20, 1970.

2. In the preparation of this study, I received assistance and information from many sources. My colleagues in the Economics Department furnished advice and counsel. ARA Services, the Business Office, Campus Planning, Computer Services, Printing Services, and many others furnished data and services. Mayor Alcuin Loehr and other city officials furnished important information and data. Every person, within or without the college, who was asked to furnish information or data, did so willingly and cheerfully. My thanks go also to the following students for their assistance: James Ernhart, Maxine Ammann, Cheryl Hammond, and Christian Rodenkirchen.

3. It is hoped that the information presented will help to improve understanding of the costs and benefits of the college to the city and to the community.

Gerald K. Gamber
ECONOMIC IMPACT OF ST. CLOUD STATE COLLEGE:
A STUDY INTO THE COSTS AND THE ECONOMIC CONTRIBUTIONS
OF ST. CLOUD STATE COLLEGE TO THE CITY OF ST. CLOUD
AND THE ST. CLOUD AREA
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I. INTRODUCTION

St. Cloud State College has undergone tremendous growth during the past twenty years. This growth can be measured by the fact that full-time, on-campus enrollment in the fall quarter, 1952, was 1,191; in the fall quarter, 1971, it was 8,220.

This great growth in student enrollment was, of necessity, accompanied by a large increase in physical facilities to accommodate the increased student population. Land for these additional physical facilities was obtained through purchase of residential properties contiguous to the campus.

Statement of the Problem

Increased expenses incurred by local units of government have resulted in ever-increasing tax rates and hence higher tax liabilities for property owners. These higher tax liabilities, coupled with removal from the tax rolls of the residential properties purchased by the State for expansion of the college, have evoked some criticisms by some residents. This dissatisfaction with removal of properties from the tax rolls has been communicated to college officials, faculty, staff personnel, and students on a number of occasions. On the one hand, the reduction in city tax revenues resulting from the removal of residential properties from the tax rolls has, for some citizens, assumed an exaggerated importance, in part due to public comments and emotional
discussions of the matter. The most recent case in point was incident to the college's announcement on January 19, 1972, that it would acquire three more blocks of residential property in south St. Cloud.  

An informational meeting held at the college that evening indicated some lack of understanding of the college's position, as reported in the newspaper the following day.  

Former mayor Edward L. Henry, in *Micropolis in Transition*, noted in several places that a certain amount of tension between the community and the college had existed at times, due largely to misunderstandings and communications problems.  

On the other hand, there appears to be an inadequate understanding, by many persons, of the magnitude of the college's economic contribution to the city, in terms of benefits in the form of financial revenue accruing to the city. It should be noted, however, that a recent survey revealed a high degree of approval for the college. Ninety-one and one-half per cent of those interviewed signified approval of the college.  

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as "very good," and fifty-one and one-tenth per cent rated the college as "fairly good.") It is impossible to determine, of course, how much these approvals reflect an awareness of the cultural contribution of the college and how much they reflect an awareness of the college's economic contribution.

The informational meeting held at the college on the evening of January 19, 1972, revealed that residents had a number of questions regarding appraisal procedures, what would happen in the event of refusing to sell, relocation allowances, and so on. In order to deal with these and other questions, procedures for state acquisition of property for public uses and relocation assistance information have been placed in Appendix A.

**General Purpose of the Study**

The general purpose of this study is to improve understanding of the costs and the economic contributions of St. Cloud State College to the City of St. Cloud and to estimate the economic contributions of the college to the St. Cloud Area. To that end, this study purposes (1) to ascertain, for 1971, the loss of property tax revenue by the City of St. Cloud as a consequence of the expansion of St. Cloud State College during the past twenty years and to estimate certain other college-related costs to the city; (2) to measure the benefits in the form of financial revenue accruing to the City of St. Cloud in 1971; (3) to measure the impact
of St. Cloud State College on the St. Cloud Area economy in 1971; and (4) to supplement and complement the major part of the study with economic models, consisting of linear cash-flow formulas.
II. PROPERTY TAX LOSSES AND OTHER COSTS TO THE CITY

Property Tax Losses

From tax ledger sheets made available by the St. Cloud City Assessor, real property taxes were computed on one hundred seventy-three pieces of residential property purchased by the State of Minnesota during the past twenty years. These pieces of property constituted all or parts of Blocks 7, 8, 9, 10, 11, 13, 16, 17, 18, 19, 20, 21, 22, 28, 29, 30, and 37, of Curtis Survey; and parts of Blocks 1, 2, and 17, of Brott and Smith's Addition. These computations indicate that the City of St. Cloud would have received an additional $30,402 in real property tax revenue for the taxable year 1971 (in property tax parlance -- 1970 taxes due in 1971) if these properties had still been on the tax rolls. (Incidently, total tax loss for the city, Stearns County, and School District 742, combined, was $106,006.)

Since it could logically be assumed that some of the former property owners had built new residences within the city limits of St. Cloud, thus creating new real property tax revenue for the city, questionnaires were mailed to all such persons who could be located in the local telephone directory and in the city directory. An example of the questionnaire is in Appendix B.

One hundred twelve questionnaires (representing sixty-five per cent of the former property owners) were mailed; replies were received from eighty-one respondents. This
constituted returns from seventy-two per cent of the intended respondents. While the questionnaire permitted a variety of responses, the primary purpose was to elicit information as to whether or not the respondent had built a new residence within the corporate limits of St. Cloud. Twenty-three respondents, constituting twenty-eight per cent of those replying, answered in the affirmative. Therefore, the city's property tax revenue loss in 1971 was less than $30,402 -- perhaps as much as one-third less. Implicit here is the assumption that the new residences added at least as much in new property tax revenue as the city had lost when the corresponding old properties had been removed from the tax rolls. (One of the writer's fellow Rotarians, who built a new house in the city limits of St. Cloud to replace the one recently purchased by the State for expansion of the college, reported that the property taxes on his new house are twice as great as those on his former home.)

It should be noted that, even before the city's tax loss is reduced for the reason just discussed, property tax revenue lost by the city in 1971 amounted to 1.1 per cent of 1971 tax levies, computed by dividing the city tax levy of $2,825,539 into $30,402.\footnote{City of St. Cloud, Minnesota, 1970 Valuations -- Tax Levies and Tax Rates (January 10, 1971), p. 2.} If the 1971 city tax revenue loss of $30,402 is reduced by one-third, the tax loss amounted to
.72 per cent (seventy-two hundredths of one per cent) of the 1971 city tax levy, computed by dividing $2,825,539 into $20,278.

An even more pertinent relationship is disclosed by the fact that the 1971 city tax revenue loss of $30,402 was .37 per cent (thirty-seven hundredths of one per cent) of 1971 total city revenue of $8,252,575 from all sources other than the sale of bonds.

In terms of assessed valuations the removal of the one hundred seventy-three pieces of residential property from the tax rolls reduced non-exempt real estate assessed valuations in the City of St. Cloud by $221,769. However, it should be noted that, notwithstanding this reduction, non-exempt real estate assessed valuations in St. Cloud rose from $7,665,630 in 1952 to $18,798,670 in 1970, an increase of 145 per cent. It can be assumed that some of the increase in non-exempt real estate valuations has been caused by (1) new, more expensive residences built by former property owners, (2) new construction to accommodate some of the increased faculty, staff, and student population, and (3) new houses built by persons who sold their existing homes to former property owners.

Other Costs

In order to obtain an estimate of other costs to
the city incident to the presence of the college in the city, the city departments were requested, through the office of Mayor Alcuin Loehr, to furnish such estimates. The estimates are admittedly subjective, since no recognized standards exist for measuring costs incurred by a municipality incident to the presence of an institution such as a college. Nevertheless, the estimates represent a real attempt to quantify these costs.

(1) Estimated college per capita costs for expenses of general government, municipal court, elections, and city library . . . . $ 38,000

(2) Fire Department:

Larger municipal fire departments are providing contracts insuring fire protection to private properties, mostly out-of-city, wherein a stand-by fee is charged on a company's assessed building value.

St. Cloud State College valuation to December 1, 1971, including as completed structures the new Student Union and new Science and Math Building: $46,500,000. Information gained from City Assessor's Office on assessed value of above property, assuming it was private and taxable property: $46,500,000 / 3 = $15,500,000

@ 40% = $6,200,000 assessed value.

Figuring the college complex for stand-by fees of $1.00 per thousand dollars of assessed value, the cost would be . . . . $ 6,200

In addition, such properties usually are charged $200 per rig, per hour, for actual fireground operations.

With many intangibles included, total dollar costs involved in actual protection of the campus would be difficult. Beyond such stand-by needs are services performed in prevention activities, testing procedures, pre-planning education for bomb scares or riot alerts and fireground operations.

Emphasis on construction of high-rise buildings could result in additional costs through need for more equipment.
and man-power. Crowded off-campus housing resulting in narrow and congested streets from inadequate off-street parking facilities could result in additional fire loss from delays in reaching fire buildings.

(3) Health Department:

Estimated costs incident to the college:

Salaries:
- Sanitarian .................................. $1,650
- Lodging Inspector .......................... 5,000
- Health Director ............................. 1,200
- Humane Officer ............................. 800
- Stenographer ............................... 700
- Nurse (Educational and Mantoux) ........ 1,000
- Commodities -- Office Supplies .......... 200
- Mileage .................................... 20 $10,570

(4) Parks Department:

Portion of total Parks Department expenditure attributed to the college:

Salaries in maintenance of park and playgrounds by percentages according to the use of various areas .... $26,900
Salaries in maintenance of skating rinks, hockey rinks, and sliding areas by percentages according to the use of various areas ........ 5,492
Salaries in maintenance of street tree program .................. 7,110
Labor in construction and rejuvenation ......................... 5,417
Commodities, utilities, materials, and supplies ............... 15,763
Construction and rejuvenation of facilities ................. 13,204 $73,886

(5) Police Department:

Preventative Patrol (general police patrol, emphasis on deterring crime and obedience to law) .... $24,000
Parking Control (Area 2, includes public streets, time zones, campus area) .................... 7,000
Traffic Accident Investigation, Report
Writing, Classification and Filing.  5,500
Part I Crimes Against Persons and Property. ... 5,500
Part II Crimes: Drug violation (includes liquor), Forgery and Frauds, Disorderly Conduct, etc .. 1,200
Miscellaneous Reports and Investigation (domestic calls, residence calls, suspicious persons, warrant service, etc.) ... 2,700
Traffic Law Enforcement (hazardous and non-hazardous violations) (Does not include parking control.) ... 1,400
Special Events at College (athletic contests, school programs and special events, homecoming parade). 1,600
Special Services (assistance provided to state college students and faculty in the form of research information, lectures on various topics such as traffic information, juvenile delinquency, drug information, etc.) ... 1,600  $ 50,500

(6) Public Works Department:

(A) Current operating costs for routine services provided to the campus:

1. Engineering Division:

a. Staff time investigating routine problems, checking traffic flow, parking conditions, consultations with administration, faculty, organizations, architects, etc. ... $ 6,000

b. Special services on a project basis (unreimbursed portion of project engineering costs). ... 8,000

Subtotal, Engineering Div. $14,000
2. Inspection Division:

Cost for protective inspection services provided, without fee, for all college construction projects . . . . $6,000

3. Street Division:

Routine street maintenance expenditures for on-campus streets . . . . 10,000
Street lighting of on-campus streets . . . . 1,000
Subtotal, Street Division. $11,000

Estimated total current operating costs directly attributable to St. Cloud State College for routine services provided by the Public Works Department . . . . . . . . . $31,000

(B) Airport costs attributable to the college:

Operating and Maintenance Costs$ 8,493
Bond Payments. . . . . . . . . 10,661 19,154

(C) Permanent Improvement Funds costs attributable to the college:

1971 public improvements paid by the ad-valorem tax levy . . 30,230
"1965 Storm Sewer Fund" . . 29,167
"1966 Storm Sewer Fund" . . 7,138
"G.O. Water Facilities Sinking Fund" (for construction of St. Cloud Dam) . . . . . . . . 24,191 90,726

Grand total, Public Works Department . . $140,880

(7) Recreation Department:

The Recreation Department's estimate of the cost of supplying city services to the college . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 22,376
(8) Water Utility:

Total pumpage for the City of St. Cloud for the year ending December 31, 1971, was 1,722,000,000 gallons. Utility cost of production was $679 per one million gallons.

College consumption for 1971 was 75,553,000 gallons. At a production cost of $679 per million gallons, this would equal $51,300 per year. However, metered water revenue from the college was $37,500 for the year. The difference could be considered an implicit (though not "out-of-pocket") cost. ... $13,800

Recapitulation of subjective estimates of costs to the city incident to the presence of the college in the city:

(1) General government, municipal court, elections, and city library .......... $ 38,000
(2) Fire Department ................. 6,200
(3) Health Department ............... 10,570
(4) Parks Department ................. 73,886
(5) Police Department ............... 50,500
(6) Public Works Department ........ 140,880
(7) Recreation Department ........... 22,376
(8) Water Utility .................... 13,800

$356,212
III. BENEFITS ACCRUING TO THE CITY

A second purpose of this study was to measure the benefits, in the form of financial revenue, accruing to the City of St. Cloud by reason of the presence of St. Cloud State College within the city. The major obstacle to this measurement arose from the fact that no direct dollar transactions occurred between the college and the city government. Therefore, the financial benefits to the City of St. Cloud had to be measured in an indirect manner, because direct dollar spending by the college accrued to the community at large in the form of an increase in income.

In creating a model for use in measuring the financial benefits accruing to the City of St. Cloud, an assumption was made that the revenues of the city government are a function of certain variables. The city derives between 55 and 60 per cent of its general revenue from property taxes. The property tax is a function of property values which, in turn, are a function of present market prices for properties. Market prices for properties are determined by supply and demand forces which are directly affected by two variables: population and income. Most non-property-tax revenues (e.g., licenses, permits, cigarette and liquor taxes, revenue from the use of money and property, charges for current services, and revenue from the municipal water and sewerage utility, from the parking system, and from refuse service) are even more obviously a function of population and income. In other
words, it is a logical assumption that city revenue is an indirect function of city population and the income of the city population.

To test this assumption, the ten-year period from 1962 to 1971 was selected. City revenue data was obtained from the official annual financial statements of the City of St. Cloud. City population for each of the first four years was computed by taking the official census figures for the years 1960 (33,815) and 1965 (37,746), noting that the population increased at an average annual compound rate of 2.225 per cent between those two dates, and then applying that rate of increase to the four years. City population figures for the years 1966 to 1971 were based on final 1970 census figures (including annexed areas), which indicate that city population in 1970 was 42,223. This reflects an average annual compound rate of population increase of 2.227 per cent between 1965 and 1970; this rate was then applied to the years 1966 through 1971. The income of the city population was estimated by multiplying the per capita gross national product of the United States in each of the ten years by the city population.

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population. The resultant figure will be called "gross city product," or G.C.P. Per capita G.N.P. is considered an adequate measure of per capita G.C.P. under the assumption that the population of St. Cloud is comprised of average U.S. citizens with respect to their incomes. This view is supported by data in the County and City Data Book for 1967 -- the latest edition published. This statistical abstract supplement reveals that in 1959 the median income of families in the United States was $5,660; the median income of families in Minnesota was $5,573; and the median income of families in St. Cloud was $5,592. Unfortunately, median family income statistics resulting from the 1970 decennial census had not yet been published for the United States at the time of this writing. However, Professors Henry and Devine stated that a 1969 survey indicated that St. Cloud family incomes increased faster than the national average since 1960.

The results of these assumptions and calculations are summarized in Table I on the next page.

---

8Family median income is the amount of income which divides the distribution of families into two equal groups -- one having incomes above the median and the other having incomes below the median.


10Micropolis in Transition, op. cit., pp. 18 and 111.
### TABLE I

**CITY OF ST. CLOUD GROSS CITY PRODUCT: 1962 TO 1971**

<table>
<thead>
<tr>
<th>Year</th>
<th>City Revenue*</th>
<th>Population</th>
<th>United States Gross City Product</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>St. Cloud</td>
</tr>
<tr>
<td>1962</td>
<td>$3,058,495</td>
<td>35,336</td>
<td>$3,002</td>
</tr>
<tr>
<td>1963</td>
<td>2,912,199</td>
<td>36,122</td>
<td>3,111</td>
</tr>
<tr>
<td>1964</td>
<td>3,120,655</td>
<td>36,925</td>
<td>3,292</td>
</tr>
<tr>
<td>1965</td>
<td>3,686,967</td>
<td>37,746</td>
<td>3,514</td>
</tr>
<tr>
<td>1966</td>
<td>3,754,628</td>
<td>38,602</td>
<td>3,775</td>
</tr>
<tr>
<td>1967</td>
<td>4,855,534</td>
<td>39,478</td>
<td>3,987</td>
</tr>
<tr>
<td>1968</td>
<td>4,638,607</td>
<td>40,374</td>
<td>4,300</td>
</tr>
<tr>
<td>1969</td>
<td>5,877,721</td>
<td>41,290</td>
<td>4,583</td>
</tr>
<tr>
<td>1970</td>
<td>9,261,677</td>
<td>42,223</td>
<td>4,754</td>
</tr>
<tr>
<td>1971</td>
<td>8,252,575</td>
<td>43,181</td>
<td>5,035</td>
</tr>
</tbody>
</table>

*From all sources other than the sale of bonds.

To test the validity of the assumption that city revenue is an indirect function of G.C.P., a coefficient of correlation (r) was computed by means of the standard formula:

\[
    r = \frac{(\bar{X}_1 \bar{Y}_1) - (\bar{X}_1)(\bar{Y}_1)}{\sqrt{\left(\frac{\sum (X_1^2 - (\bar{X}_1)^2)}{10}\right)\left(\frac{\sum (Y_1^2 - (\bar{Y}_1)^2)}{10}\right)}}
\]

where \(X_1\) refers to G.C.P. in years \(i\) and \(Y_1\) refers to city revenue in years \(i\).

The resultant coefficient of correlation (r) is .9685, which is considered very satisfactory. (If there is perfect agreement between the two series, then \(r\) will be 1.00, that is, 100 per cent. If there is exact disagreement, one moving up when the other moves down, the computed coefficient
will be -1.00, that is, -100 per cent. Various degrees of agreement or disagreement will register on the scale between these two extremes -- a coefficient of zero meaning that no relationship is registered.

With this solid foundation for support, the least squares method was chosen to determine a linear relationship between G.C.P. and city revenue. The regression equation which resulted was:

\[ Y = -2,190,000 + 0.044347X \]

where Y stands for city revenue and X stands for G.C.P.\(^\text{11}\)

Figure 1 shows the trend line computed by the least squares method.

It follows from the equation that \( \frac{dY}{dX} = 0.044347 \); accordingly, an increase of one dollar in G.C.P. will generate an increase of 4.4347 cents in city revenue.

The next task was to determine the college's contribution to the City of St. Cloud's G.C.P.

\(^{11}\)Our model assumes that city revenue is linearly related to income; however, in the year 1970 there was a significant upward shift in the function, caused by large, one-time revenues totaling $1,897,801 ($1,621,551 was received from the State of Minnesota for construction of the new St. Germain Street bridge, new airport construction, and new dam construction; $276,250 was received from the sale of the site of the old Municipal Stadium). Therefore, a "dummy" variable was inserted into the equation for the year 1970, raising $ and lowering $a$ and $b$ in the regression equation. The use of dummy variables in regression analysis has become not uncommon in recent years. They are used to represent transitory effects such as shifts in relations between different seasons or between wartime and peacetime years, to name only two of many uses.
Figure 1

ST. CLOUD GROSS CITY PRODUCT (millions of dollars)
Expenditures Other Than Student

(1) Faculty and staff spending in the St. Cloud Area:
   Faculty: $4,101,653
   Staff: $1,217,239

Faculty and staff were surveyed by a 100 per cent sample. (See example in Appendix B.)
Fifty-six per cent of the faculty and thirty per cent of the staff responded. The responses indicate that approximately 89.7 per cent of the faculty and 85 per cent of the staff reside in the St. Cloud Area.
(Gross faculty and staff salaries -- from college records -- were $9,185,100.)

(2) Official college spending in the St. Cloud Area:
   Utilities: 594,026
   Purchases Locally of Supplies, Equipment, and Services: 950,418
   Preventative Maintenance, Repairs and Betterments: 87,510
   New Buildings: 1,836,449
   Equipment Associated with the New Buildings: 116,813

(Actual moneys spent on new buildings during 1971 totaled $4,018,488. However, not all of that money stayed in the St. Cloud Area. Consultation with the major contractors involved indicates that 45.7 per cent of this spending was local.)

(3) ARA Slater School and College Services Spending in the St. Cloud Area:
   Labor: 378,694
   Food: 449,015
   Supplies and Service: 54,266

$9,786,083
Student Expenditures

The regular student body was surveyed, using a sampling method, to get an estimate of the expenditures of college students in the St. Cloud Area. The sample comprised ten per cent of the student body. In order to get a representative and unbiased sample the selection process was proportionate stratified randomized selection using seven full-time, on-campus student classifications, as reflected in Table II.

An information form with an accompanying letter was sent to each student in the sample. Included was a self-addressed and stamped envelope. The letter explained the purpose of the survey and asked for the student's cooperation in completing and returning the form. Directions on the form specified that the amount was to be an estimate of the expenditures in the St. Cloud Area for a typical academic quarter. Response was 57.7 per cent with no follow-up. Students were asked to estimate their expenditures for the following needs: recreation and entertainment; clothing; laundry and dry cleaning; medical and health (doctor, dental, and hospitalization; drugs and medicines; premiums for health insurance policies); grooming needs; snacks and refreshment (off-campus); food (off-campus); rent (off-campus); contributions to church and other organizations; automobile expenses (automobile purchases, gasoline, oil, servicing, repairs, insurance, and fines for traffic violations); books, stationery, and educational supplies; transportation (other than
automobile) and utilities (telephone, electricity, water, etc.); and insurance (other than automobile and health) and finance (interest on real estate and consumer loans). An example of the form is in Appendix B.

The results were tallied by specific need for each of the seven classifications of full-time, on-campus students. The proportions of students in each stratum were determined and the average expenditure per student was calculated for each classification. The average expenditure was multiplied by three to get the average expenditure for an academic year (three quarters). This figure for each classification was multiplied by the number of students attending college in that classification to get the total expenditure for an academic year for each of the seven full-time, on-campus student classifications. A similar procedure was followed to obtain an estimate of spending by part-time students.

The results of the regular student survey, representing student spending in the St. Cloud Area during 1971, appear in Table II. Tables III through X reflect spending in thirteen categories for each of the eight classifications of students. Table XI is a consolidated statement of regular student expenditures in the thirteen categories.

Summer students were also surveyed in each of the 1971 summer sessions. The sample was ten per cent of the students in each of the summer sessions. The selection process was also proportionate stratified randomized selection
using the same seven student classifications as for the regular students. Students were asked to estimate their expenditures for one summer session for the same thirteen types of expenditures as for the regular students. Response was 63.1 per cent for the first summer session and 59.5 per cent for the second summer session. No follow-up was deemed necessary. An estimate of spending by part-time summer students was obtained in the same manner as for part-time regular students. The results of the summer student surveys appear in Table XII. Tables XIII through XX reflect spending in thirteen categories for each of the eight classifications of summer students. Table XXI is a consolidated statement of summer student expenditures in the thirteen categories.

Total student spending in the St. Cloud Area (Table II plus Table XII) was $11,351,123.

Since Tables II and XII represent student spending in the St. Cloud Area, it was necessary to make an adjustment to obtain an estimate of student spending in the City of St. Cloud. Table II indicates that 89 per cent of the full-time, on-campus students reside in the St. Cloud Area (classifications 2, 3, 4, 5, and 7). Other college records and surveys indicate that 81 per cent of the students live on campus and elsewhere in the City of St. Cloud. Therefore, the spending for classifications 2, 3, 5, and 7 was reduced by 8 per cent (even though it is recognized that these students spent significant sums of money in St. Cloud although residing in
Waite Park, Sauk Rapids, and Sartell, or in St. Cloud, Le Sauk, and Haven townships). A similar reduction was made for the same four classifications of summer students. These adjustments reduced student spending to $10,648,828 in the City of St. Cloud.
### TABLE II

**AVERAGE REGULAR STUDENT EXPENDITURES IN THE ST. CLOUD AREA IN 1971**

<table>
<thead>
<tr>
<th>Classification</th>
<th>No. of Students</th>
<th>Per Cent of Total</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Married and commuting from outside the St. Cloud Area</td>
<td>330</td>
<td>4.01</td>
<td>$753</td>
<td>$248,490</td>
</tr>
<tr>
<td>2. Married and residing in the St. Cloud Area temporarily</td>
<td>643</td>
<td>7.82</td>
<td>3,087</td>
<td>1,984,941</td>
</tr>
<tr>
<td>3. Married and residing in the St. Cloud Area permanently</td>
<td>317</td>
<td>3.86</td>
<td>3,039</td>
<td>963,363</td>
</tr>
<tr>
<td>4. Single student and living on campus, or in a fraternity or sorority house</td>
<td>2,630</td>
<td>32.00</td>
<td>489</td>
<td>1,286,070</td>
</tr>
<tr>
<td>5. Single student and living off-campus in the St. Cloud Area (other than in a fraternity or sorority house)</td>
<td>2,750</td>
<td>33.45</td>
<td>1,308</td>
<td>3,597,000</td>
</tr>
<tr>
<td>6. Single student and commuting from outside the St. Cloud Area</td>
<td>580</td>
<td>7.06</td>
<td>738</td>
<td>428,040</td>
</tr>
<tr>
<td>7. Single student and a resident of the St. Cloud Area</td>
<td>970</td>
<td>11.80</td>
<td>1,002</td>
<td>971,940</td>
</tr>
<tr>
<td></td>
<td>8,2201</td>
<td>100.00</td>
<td></td>
<td>$9,479,8442</td>
</tr>
<tr>
<td>8. Part-time students, converted into full-time-equivalent students</td>
<td>357</td>
<td>100.00</td>
<td>753(^3)</td>
<td>268,821</td>
</tr>
<tr>
<td></td>
<td>8,577</td>
<td></td>
<td></td>
<td>$9,748,665</td>
</tr>
</tbody>
</table>
1/ Based on full-time, on-campus enrollment in the fall, 1971.

2/ Board and room charges for on-campus residents are not included.

3/ This classification assigned the same average student expenditure as the "married and commuting" classification because most are married and commuting.

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Annual Expenditure</th>
<th>Total Annual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$45</td>
<td>$14,850</td>
</tr>
<tr>
<td>Clothing</td>
<td>81</td>
<td>26,730</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>12</td>
<td>3,960</td>
</tr>
<tr>
<td>Medical and health</td>
<td>93</td>
<td>30,690</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>9</td>
<td>2,970</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>30</td>
<td>9,900</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>135</td>
<td>44,550</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>78</td>
<td>25,740</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>6</td>
<td>1,980</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>150</td>
<td>49,500</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>90</td>
<td>29,700</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>15</td>
<td>4,950</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>$753</td>
<td>$248,490</td>
</tr>
</tbody>
</table>
MARRIED AND RESIDING IN THE ST. CLOUD AREA
TEMPORARILY -- 643 REGULAR STUDENTS

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Annual Expenditure</th>
<th>Total Annual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$195</td>
<td>$125,385</td>
</tr>
<tr>
<td>Clothing</td>
<td>141</td>
<td>90,663</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>54</td>
<td>34,722</td>
</tr>
<tr>
<td>Medical and health</td>
<td>201</td>
<td>129,243</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>45</td>
<td>28,935</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>54</td>
<td>34,722</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>552</td>
<td>354,936</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>939</td>
<td>603,777</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>51</td>
<td>32,793</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>411</td>
<td>264,273</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>159</td>
<td>102,237</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>147</td>
<td>94,521</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>138</td>
<td>88,734</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,087</strong></td>
<td><strong>$1,984,941</strong></td>
</tr>
</tbody>
</table>
TABLE V

MARRIED AND RESIDING IN THE ST. CLOUD AREA PERMANENTLY -- 317 REGULAR STUDENTS

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Annual Expenditure</th>
<th>Total Annual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$ 150</td>
<td>$ 47,550</td>
</tr>
<tr>
<td>Clothing</td>
<td>141</td>
<td>44,697</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>51</td>
<td>16,167</td>
</tr>
<tr>
<td>Medical and health</td>
<td>192</td>
<td>60,864</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>45</td>
<td>14,265</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>87</td>
<td>27,579</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>546</td>
<td>173,082</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>846</td>
<td>268,182</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>48</td>
<td>15,216</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>366</td>
<td>116,022</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>108</td>
<td>34,236</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>213</td>
<td>67,521</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>246</td>
<td>77,982</td>
</tr>
</tbody>
</table>

$3,039 $963,363
TABLE VI

SINGLE STUDENT AND LIVING ON-CAMPUS, OR IN A FRATERNITY OR SORORITY HOUSE — 2,630 REGULAR STUDENTS

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Annual Expenditure</th>
<th>Total Annual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$ 66</td>
<td>$ 173,580</td>
</tr>
<tr>
<td>Clothing</td>
<td>69</td>
<td>181,470</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>18</td>
<td>47,340</td>
</tr>
<tr>
<td>Medical and health</td>
<td>12</td>
<td>31,560</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>27</td>
<td>71,010</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>36</td>
<td>94,680</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>33</td>
<td>86,790</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>15</td>
<td>39,450</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>6</td>
<td>15,780</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>45</td>
<td>118,350</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>120</td>
<td>315,600</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>39</td>
<td>102,570</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>3</td>
<td>7,890</td>
</tr>
<tr>
<td></td>
<td>$ 489</td>
<td>$1,286,070</td>
</tr>
</tbody>
</table>
### TABLE VII

**SINGLE STUDENT AND LIVING OFF-CAMPUS IN THE ST. CLOUD AREA (OTHER THAN IN A FRATERNITY OR SORORITY HOUSE) -- 2,750 REGULAR STUDENTS**

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Annual Expenditure</th>
<th>Total Annual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$132</td>
<td>$363,000</td>
</tr>
<tr>
<td>Clothing</td>
<td>87</td>
<td>239,250</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>21</td>
<td>57,750</td>
</tr>
<tr>
<td>Medical and health</td>
<td>42</td>
<td>115,500</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>33</td>
<td>90,750</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>69</td>
<td>189,750</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>180</td>
<td>495,000</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>423</td>
<td>1,163,250</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>12</td>
<td>33,000</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>111</td>
<td>305,250</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>126</td>
<td>346,500</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>54</td>
<td>148,500</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>18</td>
<td>49,500</td>
</tr>
<tr>
<td></td>
<td><strong>$1,308</strong></td>
<td><strong>$3,597,000</strong></td>
</tr>
</tbody>
</table>
# TABLE VIII

**SINGLE STUDENT AND COMMUTING FROM OUTSIDE THE ST. CLOUD AREA -- 580 REGULAR STUDENTS**

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Annual Expenditure</th>
<th>Total Annual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$108</td>
<td>$62,640</td>
</tr>
<tr>
<td>Clothing</td>
<td>105</td>
<td>60,900</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>6</td>
<td>3,480</td>
</tr>
<tr>
<td>Medical and health</td>
<td>39</td>
<td>22,620</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>15</td>
<td>8,700</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>45</td>
<td>26,100</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>69</td>
<td>40,020</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>18</td>
<td>10,440</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>9</td>
<td>5,220</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>213</td>
<td>123,540</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>102</td>
<td>59,160</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>6</td>
<td>3,480</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>$738</td>
<td>$428,040</td>
</tr>
</tbody>
</table>

Total: $428,040
TABLE IX

SINGLE STUDENT AND A RESIDENT OF THE ST. CLOUD AREA -- 970 REGULAR STUDENTS

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Annual Expenditure</th>
<th>Total Annual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$162</td>
<td>$157,140</td>
</tr>
<tr>
<td>Clothing</td>
<td>99</td>
<td>96,030</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>18</td>
<td>17,460</td>
</tr>
<tr>
<td>Medical and health</td>
<td>51</td>
<td>49,470</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>33</td>
<td>32,010</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>72</td>
<td>69,840</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>81</td>
<td>78,570</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>75</td>
<td>72,750</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>12</td>
<td>11,640</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>204</td>
<td>197,880</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>120</td>
<td>116,400</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>15</td>
<td>14,550</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>60</td>
<td>58,200</td>
</tr>
<tr>
<td></td>
<td>$1,002</td>
<td>$971,940</td>
</tr>
</tbody>
</table>
TABLE X

PART-TIME STUDENTS CONVERTED INTO FULL-TIME-
EQUIVALENT STUDENTS -- 357 REGULAR STUDENTS

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Annual Expenditure</th>
<th>Total Annual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$ 45</td>
<td>$ 16,065</td>
</tr>
<tr>
<td>Clothing</td>
<td>81</td>
<td>28,917</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>12</td>
<td>4,284</td>
</tr>
<tr>
<td>Medical and health</td>
<td>93</td>
<td>33,201</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>9</td>
<td>3,213</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>30</td>
<td>10,710</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>135</td>
<td>48,195</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>78</td>
<td>27,846</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>6</td>
<td>2,142</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>150</td>
<td>53,550</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>90</td>
<td>32,130</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>15</td>
<td>5,355</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>9</td>
<td>3,213</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 753</strong></td>
<td><strong>$ 268,821</strong></td>
</tr>
<tr>
<td>Category of Expenditure</td>
<td>Average Annual Expenditure</td>
<td>Total Annual Expenditure</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>-----------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Recreation and entertainment</td>
<td>$111.95</td>
<td>$960,210</td>
</tr>
<tr>
<td>Clothing</td>
<td>$89.61</td>
<td>768,657</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>$21.58</td>
<td>185,163</td>
</tr>
<tr>
<td>Medical and health</td>
<td>$55.16</td>
<td>473,148</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>$29.36</td>
<td>251,853</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>$54.02</td>
<td>463,281</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>$154.03</td>
<td>1,321,143</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>$257.83</td>
<td>2,211,435</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>$13.73</td>
<td>117,771</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>$143.22</td>
<td>1,228,365</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>$120.79</td>
<td>1,035,963</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>$51.47</td>
<td>441,447</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>$33.84</td>
<td>290,229</td>
</tr>
<tr>
<td></td>
<td>$1,136.59²</td>
<td>$9,748,665²</td>
</tr>
</tbody>
</table>

1/ Total in each category from Tables III through X.

2/ This is merely an arithmetic average obtained by dividing each category total by 8,577 students. The utmost caution should be exercised in translating this figure into an average annual student expenditure in the St. Cloud Area, because 3,897 students in classifications 1, 4, 6 and 8 have very low food and rent expenditures, yet their numbers bring down the average spending in the food and rent categories, above. For other categories, the averages may be instructive.
TABLE XII

AVERAGE SUMMER STUDENT EXPENDITURES IN THE ST. CLOUD AREA IN 1971

<table>
<thead>
<tr>
<th>Classification</th>
<th>No. of Students</th>
<th>Per Cent</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Married and commuting from outside the St. Cloud Area</td>
<td>747</td>
<td>14.24</td>
<td>$154</td>
<td>$115,038</td>
</tr>
<tr>
<td>2. Married and residing in the St. Cloud Area temporarily</td>
<td>222</td>
<td>4.23</td>
<td>465</td>
<td>103,008</td>
</tr>
<tr>
<td>3. Married and residing in the St. Cloud Area permanently</td>
<td>607</td>
<td>11.58</td>
<td>700</td>
<td>424,900</td>
</tr>
<tr>
<td>4. Single student and living on campus, or in a fraternity or sorority house</td>
<td>717</td>
<td>13.67</td>
<td>152</td>
<td>101,814</td>
</tr>
<tr>
<td>5. Single student and living off-campus in the St. Cloud Area (other than in a fraternity or sorority house)</td>
<td>1,976</td>
<td>37.68</td>
<td>279</td>
<td>551,304</td>
</tr>
<tr>
<td>6. Single student and commuting from outside the St. Cloud Area</td>
<td>295</td>
<td>5.63</td>
<td>128</td>
<td>37,760</td>
</tr>
<tr>
<td>7. Single student and a resident of the St. Cloud Area</td>
<td>680</td>
<td>12.97</td>
<td>268</td>
<td>182,240</td>
</tr>
<tr>
<td></td>
<td>5,241</td>
<td>100.00</td>
<td></td>
<td>$1,516,062</td>
</tr>
<tr>
<td>8. Part-time students, converted into full-time-equivalent students</td>
<td>561</td>
<td>100.00</td>
<td>154</td>
<td>86,394</td>
</tr>
<tr>
<td></td>
<td>5,805</td>
<td>100.00</td>
<td></td>
<td>$1,602,458</td>
</tr>
</tbody>
</table>
(TABLE XII, Cont.)

1/ Based on full-time, on-campus enrollment in the summer, 1971.

2/ Board and room charges for on-campus residents are not included.

3/ This classification assigned the same average student expenditure as the "married and commuting" classification because most are married and commuting.

**TABLE XIII**

MARRIED AND COMMUTING FROM OUTSIDE THE ST. CLOUD AREA -- 747 SUMMER STUDENTS

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$15</td>
<td>$11,205</td>
</tr>
<tr>
<td>Clothing</td>
<td>17</td>
<td>12,699</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>1</td>
<td>747</td>
</tr>
<tr>
<td>Medical and health</td>
<td>7</td>
<td>5,229</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>2</td>
<td>1,494</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>9</td>
<td>6,723</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>28</td>
<td>20,916</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>2</td>
<td>1,494</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>1</td>
<td>747</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>41</td>
<td>30,627</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>22</td>
<td>16,434</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>2</td>
<td>1,494</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>7</td>
<td>5,229</td>
</tr>
<tr>
<td></td>
<td><strong>$154</strong></td>
<td><strong>$115,038</strong></td>
</tr>
</tbody>
</table>
## TABLE XIV

**MARRIED AND RESIDING IN THE ST. CLOUD AREA**

**TEMPORARILY -- 222 SUMMER STUDENTS**

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$29</td>
<td>$6,438</td>
</tr>
<tr>
<td>Clothing</td>
<td>25</td>
<td>5,550</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>9</td>
<td>1,998</td>
</tr>
<tr>
<td>Medical and health</td>
<td>24</td>
<td>5,328</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>9</td>
<td>1,998</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>15</td>
<td>3,330</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>74</td>
<td>16,428</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>138</td>
<td>30,636</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>6</td>
<td>1,332</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>67</td>
<td>14,874</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>28</td>
<td>5,994</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>25</td>
<td>5,550</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>$16</td>
<td>$3,552</td>
</tr>
<tr>
<td></td>
<td>$465</td>
<td>$103,008</td>
</tr>
</tbody>
</table>
TABLE XV

MARRIED AND RESIDING IN THE ST. CLOUD AREA PERMANENTLY -- 607 SUMMER STUDENTS

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$ 44</td>
<td>$ 26,708</td>
</tr>
<tr>
<td>Clothing</td>
<td>36</td>
<td>21,852</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>13</td>
<td>7,891</td>
</tr>
<tr>
<td>Medical and health</td>
<td>43</td>
<td>26,101</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>18</td>
<td>10,926</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>18</td>
<td>10,926</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>131</td>
<td>79,517</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>160</td>
<td>97,120</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>16</td>
<td>9,712</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>110</td>
<td>66,770</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>29</td>
<td>17,603</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>39</td>
<td>23,673</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>43</td>
<td>26,101</td>
</tr>
</tbody>
</table>

$700 $424,900
## TABLE XVI

**SINGLE STUDENT AND LIVING ON-CAMPUS OR IN A FRATERNITY OR SORORITY HOUSE -- 717 SUMMER STUDENTS**

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$18</td>
<td>$12,906</td>
</tr>
<tr>
<td>Clothing</td>
<td>25</td>
<td>17,925</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>3</td>
<td>2,151</td>
</tr>
<tr>
<td>Medical and health</td>
<td>3</td>
<td>2,151</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>8</td>
<td>5,736</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>10</td>
<td>7,170</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>39</td>
<td>27,963</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>1</td>
<td>717</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>2</td>
<td>1,434</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>21</td>
<td>15,057</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>18</td>
<td>5,736</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>4</td>
<td>2,868</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>0</td>
<td>$101,814</td>
</tr>
</tbody>
</table>

|$152$
# TABLE XVII

SINGLE STUDENT AND LIVING OFF-CAMPUS IN THE ST. CLOUD AREA (OTHER THAN IN A FRATERNITY OR SORORITY HOUSE) -- 1,976 SUMMER STUDENTS

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$40</td>
<td>$79,040</td>
</tr>
<tr>
<td>Clothing</td>
<td>25</td>
<td>49,400</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>4</td>
<td>7,904</td>
</tr>
<tr>
<td>Medical and health</td>
<td>8</td>
<td>15,808</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>8</td>
<td>15,808</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>15</td>
<td>29,640</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>40</td>
<td>79,040</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>73</td>
<td>144,248</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>3</td>
<td>5,928</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>23</td>
<td>45,448</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>24</td>
<td>47,424</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>12</td>
<td>23,712</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>4</td>
<td>7,904</td>
</tr>
<tr>
<td></td>
<td>$279</td>
<td>$551,304</td>
</tr>
</tbody>
</table>
### TABLE XVIII

**SINGLE STUDENT AND COMMUTING FROM OUTSIDE THE ST. CLOUD AREA -- 295 SUMMER STUDENTS**

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$12</td>
<td>$3,540</td>
</tr>
<tr>
<td>Clothing</td>
<td>17</td>
<td>5,015</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>2</td>
<td>590</td>
</tr>
<tr>
<td>Medical and health</td>
<td>8</td>
<td>2,360</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>4</td>
<td>1,180</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>7</td>
<td>2,065</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>10</td>
<td>2,950</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>9</td>
<td>2,655</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>1</td>
<td>295</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>33</td>
<td>9,735</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>23</td>
<td>6,785</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>1</td>
<td>295</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>$128</td>
<td>$37,760</td>
</tr>
</tbody>
</table>
TABLE XIX

SINGLE STUDENT AND A RESIDENT OF THE
ST. CLOUD AREA -- 680 SUMMER STUDENTS

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$ 42</td>
<td>$ 28,560</td>
</tr>
<tr>
<td>Clothing</td>
<td>30</td>
<td>20,400</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>5</td>
<td>3,400</td>
</tr>
<tr>
<td>Medical and health</td>
<td>14</td>
<td>9,520</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>9</td>
<td>6,120</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>14</td>
<td>9,520</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>26</td>
<td>17,680</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>35</td>
<td>23,800</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>4</td>
<td>2,720</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>43</td>
<td>29,240</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>25</td>
<td>17,000</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>10</td>
<td>6,800</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>11</td>
<td>7,480</td>
</tr>
</tbody>
</table>

| $268                                                         | $182,240            |
TABLE XX

PART-TIME STUDENTS CONVERTED INTO FULL-TIME-EQUIVALENT STUDENTS -- 561 SUMMER STUDENTS

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$ 15</td>
<td>$ 8,415</td>
</tr>
<tr>
<td>Clothing</td>
<td>17</td>
<td>9,537</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>1</td>
<td>561</td>
</tr>
<tr>
<td>Medical and health</td>
<td>7</td>
<td>3,927</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>2</td>
<td>1,561</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>9</td>
<td>5,049</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>28</td>
<td>15,708</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>2</td>
<td>1,122</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>1</td>
<td>561</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>41</td>
<td>23,001</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>22</td>
<td>12,342</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>2</td>
<td>1,122</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>7$154</td>
<td>$86,394</td>
</tr>
</tbody>
</table>
### TABLE XXI

CONSOLIDATED STATEMENT OF SUMMER STUDENT EXPENDITURES
IN THE ST. CLOUD AREA BY CATEGORY OF EXPENDITURE

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>Average Expenditure</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation and entertainment</td>
<td>$ 30.45</td>
<td>$ 176,812</td>
</tr>
<tr>
<td>Clothing</td>
<td>$ 24.52</td>
<td>142,378</td>
</tr>
<tr>
<td>Laundry and dry cleaning</td>
<td>$ 4.34</td>
<td>25,242</td>
</tr>
<tr>
<td>Medical and health</td>
<td>$ 12.03</td>
<td>70,424</td>
</tr>
<tr>
<td>Grooming needs</td>
<td>$ 7.74</td>
<td>44,384</td>
</tr>
<tr>
<td>Snacks and refreshment (off-campus)</td>
<td>$ 12.72</td>
<td>74,423</td>
</tr>
<tr>
<td>Food (off-campus)</td>
<td>$ 44.72</td>
<td>260,202</td>
</tr>
<tr>
<td>Rent (off-campus)</td>
<td>$ 51.98</td>
<td>301,792</td>
</tr>
<tr>
<td>Contributions to church and other organizations</td>
<td>$ 3.91</td>
<td>22,729</td>
</tr>
<tr>
<td>Automobile expenses</td>
<td>$ 40.34</td>
<td>234,752</td>
</tr>
<tr>
<td>Books, stationery, and educational supplies</td>
<td>$ 22.27</td>
<td>129,318</td>
</tr>
<tr>
<td>Transportation (other than automobile) and utilities</td>
<td>$ 11.18</td>
<td>65,514</td>
</tr>
<tr>
<td>Insurance (other than automobile and health) and finance</td>
<td>$ 9.28</td>
<td>54,488</td>
</tr>
</tbody>
</table>

**Total** $1,602,458

---

1/ Total in each category from Tables XIII through XX.

2/ This is merely an arithmetic average obtained by dividing each category total by 5,805 students. The utmost caution should be exercised in translating this figure into an average summer student expenditure in the St. Cloud Area, because 2,320 students in classifications 1, 4, 6, and 8 have very low food and rent expenditures, yet their numbers bring down the average spending in the food and rent categories, above. For other categories, the averages may be instructive.
Spending by Visiting Groups and Individuals

St. Cloud State College has served as a meeting place for many state and regional organizations and professional groups. Scores of workshops, conventions, conferences, short courses and institutes have been conducted on the campus annually because of its central location and suitable facilities for accommodating large groups. Had it not been for the college most of these meetings would have been held in other cities.

Not only has the college served as a meeting place, but its own concerts, lectures, exhibits, plays, demonstrations, contests, and athletic events have attracted thousands of persons to the campus annually. Also, during each school year hundreds of recruiters for schools, business, and industry have come to the campus to interview students -- and have spent money in the city.

It is estimated that spending by students' visitors and spending by visitors for the purposes described above totaled $165,875 in the calendar year 1971, computed as follows:

A. Spending by students' visitors. There were 5,380 single students living in dormitories or living off-campus (classifications 4 and 5 of Table II). The following assumptions are made: (1) that one-half of the aforesaid students receive visitors = 2,690; (2) that each of the 2,690 students receive an average
of 1.5 visitors per year; (3) that one-half of the 2,690 students receive visitors that stay overnight; (4) that overnight visits entail an average expense of $20 per day per visitor and involve an average stay of two days per visitor; and (5) that for visitors who do not stay overnight, an average expense of $10 per day per visitor is incurred.

Overnight expenditures: $1,345 \times 1.5 \times 2 \times $20 = $80,700
Day-visit expenditures: $1,345 \times 1.5 \times $10 = $20,175
Total expenditures by visitors to students = $100,875

B. Visitors to events. It is estimated that 15,000 out-of-town visitors attended college events (athletic events, concerts, etc.) in a year and that one-third of them spent an average of $4 in the community.
Thus, total expenditures = 15,000 \div 3 \times 4 = $20,000

C. Business and educational visitors. (Visits by book salesmen, lecturers, official visitors, conference attendees, seminar participants, etc.) It is estimated that there are 3,000 such visits annually and that half are overnight and half are day-visits.

Overnight expenditures: $1,500 \times $20 = $30,000
Day-visit expenditures: $1,500 \times $10 = 15,000
Total expenditures by business and educational visitors = $45,000

Total spending by visiting groups and individuals = $165,875
Total Spending by College Groups

Spending in the City of St. Cloud by faculty, staff, students, schools, institutes, and bureaus of St. Cloud State College, by ARA Slater School and College Services, and by visiting groups and individuals totaled approximately $20,600,786 in the calendar year 1971.
IV. IMPACT OF THE COLLEGE ON THE ST. CLOUD AREA ECONOMY

The analysis in this section is based on a valuable input-output model developed by one of the writer's colleagues at the college.¹²

St. Cloud State College is treated as a separate industry in Professor Masih's Economic Base Study. The college is a permanent unit of the area economy and thus it acts and behaves like any other economic unit. Thus, it is a sector to which other industries make sales. Based on the expenditure data on page 19 and in Tables II and XII, the purchases of the college from other industries in the St. Cloud Area economy during 1971 were as follows:

<table>
<thead>
<tr>
<th>Industry</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Kindred Products</td>
<td>$476,829</td>
</tr>
<tr>
<td>Printing and Publishing</td>
<td>11,161</td>
</tr>
<tr>
<td>Contract Construction</td>
<td>2,209,635</td>
</tr>
<tr>
<td>Wholesale and Retail</td>
<td>4,939,481</td>
</tr>
<tr>
<td>General Services</td>
<td>1,960,892</td>
</tr>
<tr>
<td>Medical and Health</td>
<td>321,847</td>
</tr>
<tr>
<td>Finance, Insurance, and Real Estate</td>
<td>910,272</td>
</tr>
<tr>
<td>Transportation, Communication, and Utility</td>
<td>817,980</td>
</tr>
<tr>
<td>Households</td>
<td>9,654,984</td>
</tr>
<tr>
<td></td>
<td>$21,303,081</td>
</tr>
</tbody>
</table>

Table XXII reflects the impact of St. Cloud State College on the St. Cloud Area economy. One dollar's worth of spending by the college produces about $0.0089 of additional business for the "Lumber Products" industry, $0.0084 of additional business for the "Stone and Rock Products" industry, $0.0112 of additional business for the "Metal Fabrication" industry, and so on. If the "Industry Multipliers" column is summed, the total amount of business produced from one dollar's worth of college spending can be obtained. The original dollar would be included in the aggregate estimate. Therefore, for each dollar's worth of spending by the college, approximately $1.4344 of total business is created. New business amounts to $0.4344, while one dollar represents the original basic income. In addition, about $0.0464 of taxes result for the "Local Government" sector and about $0.6700 is derived for the "Households" sector.

As indicated on the preceding page, the college exported $21,303,081 worth of services in 1971. After this figure is multiplied by each of the industry multipliers developed by Professor Masih, the estimated business activity produced in the economy can be determined, as reflected in Table XXII. The business thus produced represents the ultimate effect of college spending on the economy after this new money has worked its way through all sectors of the economy. As a result of the college spending, a total of
$30,557,139 worth of business was produced in the economy.

Of this total, $21,303,081 represented the original amount of basic income which flowed into the economy and additional business of $9,254,058 was produced in the economy.

In addition, approximately $988,463 accrued indirectly to local government in the form of taxes and approximately $14,273,064 accrued to household income.

TABLE XXII

IMPACT OF ST. CLOUD STATE COLLEGE ON THE ST. CLOUD AREA ECONOMY

<table>
<thead>
<tr>
<th>INDUSTRIES</th>
<th>Industry Multipliers</th>
<th>Value of Business Produced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lumber Products</td>
<td>.0089</td>
<td>$189,597</td>
</tr>
<tr>
<td>Stone and Rock Products</td>
<td>.0084</td>
<td>178,946</td>
</tr>
<tr>
<td>Metal Fabrication</td>
<td>.0112</td>
<td>238,595</td>
</tr>
<tr>
<td>Tools and Machines</td>
<td>.0004</td>
<td>8,521</td>
</tr>
<tr>
<td>Optics</td>
<td>.0062</td>
<td>132,079</td>
</tr>
<tr>
<td>Food and Kindred Products</td>
<td>.0673</td>
<td>1,433,697</td>
</tr>
<tr>
<td>Paper Products</td>
<td>.0036</td>
<td>76,691</td>
</tr>
<tr>
<td>Printing and Publishing</td>
<td>.0111</td>
<td>236,464</td>
</tr>
<tr>
<td>Rubber and Plastics</td>
<td>.0092</td>
<td>195,988</td>
</tr>
<tr>
<td>Miscellaneous Manufactures</td>
<td>.0011</td>
<td>23,433</td>
</tr>
<tr>
<td>Contract Construction</td>
<td>.1905</td>
<td>4,058,237</td>
</tr>
<tr>
<td>Wholesale and Retail</td>
<td>.7031</td>
<td>14,978,196</td>
</tr>
<tr>
<td>General Services</td>
<td>.1217</td>
<td>2,592,585</td>
</tr>
<tr>
<td>Medical and Health</td>
<td>.0469</td>
<td>999,114</td>
</tr>
<tr>
<td>Finance, Insurance, and Real Estate</td>
<td>.1335</td>
<td>2,843,961</td>
</tr>
<tr>
<td>Transportation, Communication, and Utility</td>
<td>.1113</td>
<td>2,371,035</td>
</tr>
</tbody>
</table>

$30,557,139

Local Government                   | .0464               | 988,463                     |
| Households                         | .6700               | 14,273,064                  |

2.1508 $45,818,666
V. ESTIMATING THE IMPACT OF ST. CLOUD STATE COLLEGE ON THE LOCAL ECONOMY BY MEANS OF EXPENDITURE MODELS

The analysis in this section is based on an important economic impact model commissioned and published by the American Council on Education.¹³ Full credit is given to the Council for creation of the models. The writer has, however, modified a few of the models as deemed necessary.

The models are an invaluable complement and supplement to the preceding analysis and data. As stated by the authors of the Council's study, the purpose of the models is to "provide explicit, reasonable, straight-forward procedures for estimating the more direct economic impacts of an institution of higher education on its neighboring community."¹⁴

The authors of the Council's study also point out that an understanding of the capabilities and limitations of the models is fundamental to their effective use:

The models should not be expected to reflect a comprehensive, in-depth picture of all possible economic relationships between a college and a community. . . . Nor are the models intended to be sophisticated, complex analytic tools. Their virtue lies rather in their ease of use, in their modularity, and in the confidence with which the user may make general conclusions from the results.


¹⁴Ibid., p. 2.
The models are simply linear cash-flow formulas, including only what can be readily counted or added and omitting qualitative issues. For example, the models do not deal with the college's effect on the quality of life in the community. They do not take into account the tempo of economic activity, the economic calendar, or economic stability.

The models are limited to estimation of short-term economic impact. They are not concerned with the ultimate economic impact of the college upon the community, and they do not embody considerations such as what a community might have been like without the college.

Finally, and perhaps most important, the models provide a built-in understatement, i.e., the actual economic impacts are probably greater than the models suggest. For example, one might ask, since the college runs certain kinds of businesses (dormitories, cafeterias, etc.) that deprive some local businesses of specific markets, what proportion of money spent there would otherwise have been spent in the community? No sound answer to that question exists. We know only that some money is indeed being lost to the community as a result of certain college business enterprises. However, these models assume that all monies spent in the college businesses are lost to the community. It seems better to err on the side of too little than too much, particularly when a public relations function is being served and it is impractical to account for all the real expenditures of every individual and group associated with the college.

In summary, the models are simple, credible devices for estimating cash flow. They do not show political, social, or aesthetic impacts or the effects upon the community of the college's human resources. They are, however, flexible and comprehensive in the measurement of dollar outlay, and they provide simple indicators for planning.\footnote{Ibid., p. 4.}
A. College-Related Local Business Volume

Model B-1 and its component submodels accumulate the direct purchases from local businesses made by the college and faculty, staff, students, and visitors (B-1.1); the purchases from local sources by local businesses in support of their college-related business volume, or "second-round" purchases (B-1.2); and the amount of local business volume stimulated by the expenditure of college-related income by local individuals other than faculty, staff, or students (B-1.3).

MODEL B-1

\[ \text{BV}_{CR} = (E_L)_{CR} + (P_{LB})_{CR} + (BV_I)_{CR} \]

\( (E_L)_{CR} = \) college-related local expenditures (model B-1.1) .......... $19,119,679

\( (P_{LB})_{CR} = \) Purchases from local sources by local businesses in support of their college-related business volume (model B-1.2) .......... 8,305,588

\( (BV_I)_{CR} = \) local business volume stimulated by the expenditure of college-related income by local individuals other than faculty, staff, or students (model B-1.3) .......... 12,810,184

\[ \text{BV}_{CR} = $40,235,451 \]
College-related local expenditures

Model B-1.1 is the dollar value of college-related local direct expenditures. These include expenditures by the college as an institution (B-1.1.1), by faculty and staff (B-1.1.2), by students (B-1.1.3), and by visitors to the college (B-1.1.4).

MODEL B-1.1

\[(E_L)_{CR} = (E_L)_C + (E_L)_F + (E_L)_S + (E_L)_V\]

\[(E_L)_C\] = local expenditures by the college (model B-1.1.1) .................. $4,467,191

\[(E_L)_F\] = local expenditures by faculty and staff (model B-1.1.2) ................. 3,276,317

\[(E_L)_S\] = local expenditures by students (model B-1.1.3) .................. 11,210,296

\[(E_L)_V\] = local expenditures by visitors to the college (model B-1.1.4) ........... 165,875

\[(E_L)_{CR}\] : $19,119,679

MODEL B-1.1.1

\[(E_L)_C\]

Local Expenditures by the College

\[(E_L)_C\] = spending locally for (1) utilities, (2) supplies, equipment, and services, (3) preventative maintenance, repairs, and betterments, (4) new buildings, and (5) equipment associated with new buildings; spending locally by ARA Slater School and College Services ........ $4,467,191
MODEL B-1.1.2

\[(E_L)_F\]

Local Expenditures by Faculty and Staff

\[(E_L)_F = (E_H)_F + (E_{NH})_F + (E_{L\text{NLF}})\]

\[(E_H)_F = \text{expenditures by faculty and staff for local rental housing (model B-1.1.2.1)} \quad $467,521\]

\[(E_{NH})_F = \text{local nonhousing expenditures by local faculty and staff (model B-1.1.2.2)} \quad 2,506,927\]

\[(E_{L\text{NLF}}) = \text{local expenditures by nonlocal faculty and staff (model B-1.1.2.3)} \quad 301,869\]

\[(E_L)_F : \quad $3,276,317\]

MODEL B-1.1.2.1

\[(E_H)_F\]

Expenditures by Faculty and Staff for Local Rental Housing

\[(E_H)_F = (f_L)(f_H)(DIP)(e_H)\]

\[f_L = \text{proportion of faculty and staff residing locally} \quad 0.8859\]

\[f_H = \text{proportion of local faculty and staff who rent housing} \quad 0.2864\]

\[DIP = \text{total disposable income of faculty and staff} \quad $8,587,191\]

\[e_H = \text{proportion of a tenant's total expenditures likely to be spent for rental housing} \quad 0.2146\]

\[(E_H)_F = 0.8859 \times 0.2864 \times $8,587,191 \times 0.2146 \quad $467,521\]
MODEL B-1.1.2.2

\[(E_{NH})_F = (f_L)(e_L)(DIF)(e_{NH})_F\]

Local Nonhousing Expenditures by Local Faculty and Staff

\[f_L = \text{proportion of faculty and staff residing locally} \quad 0.8859\]

\[e_L = \text{proportion of total nonhousing expenditures that an individual is likely to make in his local environment} \quad 0.6400\]

\[DIF = \text{total disposable income of faculty and staff} \quad \$8,587,191\]

\[(e_{NH})_F = \text{proportion of a consumer's total expenditures spent on nonhousing items} \quad 0.5149\]

\[(E_{NH})_F = 0.8859 \times 0.6400 \times \$8,587,191 \times 0.5149 \quad \$2,506,927\]

MODEL B-1.1.2.3

\[(E_L)_{NLF} = (1-f_L)(F)(E_L)_F\]

Local Expenditures by Nonlocal Faculty and Staff

\[f_L = \text{proportion of faculty and staff residing locally} \quad 0.8859\]

\[F = \text{total number of faculty and staff} \quad 887\]

\[(E_L)_F = \text{estimated average local expenditures by each nonlocal faculty and staff person} \quad \$2,983\]

\[(E_L)_{NLF} = 0.8859 \times 887 \times \$2,983 \quad \$301,869\]
MODEL B-1.1.3

\((E_L)_S\)

Local Expenditures by Students

\((E_L)_S = (E_M)_S + (E_H)_S + (E_{NH})_S + (E_{NLS})_S + (E_{LG})_S\)

\((E_M)_S\) = local miscellaneous expenditures by students obtaining local room and board from dormitories, fraternities, sororities, other groups, or parents (from student survey) \$ 2,405,347

\((E_H)_S\) = expenditures by students for local rental housing (from student survey) 2,307,213

\((E_{NH})_S\) = local nonhousing expenditures by students who rent local housing (from student survey) 5,317,303

\((E_{NLS})_S\) = local expenditures by nonlocal students (from student survey) 1,115,246

\((E_{LG})_S\) = local expenditures by local fraternities, sororities, and other student living groups (from survey) 65,187

\((E_L)_S\): $11,210,296

MODEL B-1.1.4

\((E_L)_V\)

Local Expenditures by Visitors to the College

\((E_L)_V = (V_1)(E_1)_V + (V_2)(E_2)_V + \ldots + (V_n)(E_n)_V\)

\((V_n)\) = estimated number of visits to the college by visitors in the \(n^{th}\) category

\((E_n)_V\) = estimated local expenditures by each visitor in the \(n^{th}\) category during each visit to the college

\((E_L)_V\) = see assumptions and computations on page 45 \$ 165,875
Second-round local expenditures

Models B-1.2 and B-1.3 indicate the additional volume of local business activity resulting from stimuli provided by the purchases of goods and services considered in the other B-1 models. When the college buys from a local supplier or when a visitor eats in a local restaurant, a long train of economic transactions is set off. The initial dollar is re-spent many times; it may reappear as income to residents of the community, as business receipts by other local merchants, or as payment to suppliers outside the community.

MODEL B-1.2

\[(P_{LB})_{CR}\]

Purchases from Local Sources by Local Business in Support of their College-Related Business Volume

\[(P_{LB})_{CR} = (m_p)(E_{L})_{CR}\]

\(m_p\) = coefficient representing the degree to which local businesses purchase goods and services from local sources \( \cdots 0.4344\)

\((E_{L})_{CR}\) = college-related local expenditures (model B-1.1) \( \cdots \cdots \cdots \cdots \cdots \cdots \$19,119,679\)

\((P_{LB})_{CR} = 0.4344 \times \$19,119,679 \cdots \cdots \cdots \cdots \cdots \cdots \$8,305,588\)
MODEL B-1.3

\[(BV_{I})_{CR}\]

Local Business Volume Stimulated by the Expenditure of College-Related Income by Local Individuals Other than Faculty, Staff, or Students

\[(BV_{I})_{CR} = (m_{I})(E_{L})_{CR}\]

\[m_{I} = \text{coefficient representing the degree to which individual income received from local business activity is spent and re-spent locally} \quad 0.6700\]

\[(E_{L})_{CR} = \text{college-related local expenditures (model B-1.1)} \quad $19,119,679\]

\[(BV_{I})_{CR} = 0.6700 \times $19,119,679 \quad $12,810,184\]

B. Value of Local Business Property

Model B-2 pictures the capital and property related to the business activity generated by the presence of a college, as seen in models B-1.1, B-1.2, and B-1.3. Since B-1.1, B-1.2, and B-1.3 are considered as purchases, we are trying to determine what portions of the existing capital and property relate to this observed flow of purchases.

MODEL B-2

\[(PR_{B})_{CR}\]

Value of Local Business Property Committed to College-Related Business

\[(PR_{B})_{CR} = (RF_{B})_{CR} + (I_{B})_{CR} + (OF_{B})_{CR}\]
(MODEL B-2, cont.)

\[
(RP_{B}^{\text{CR}}) = \text{value of local business real property committed to college-related business (model B-2.1)} \quad \cdots \cdots \cdots \cdots \cdots \quad \$12,050,688
\]

\[
(I_{B}^{'CR}) = \text{value of local business inventory committed to college-related business (model B-2.2)} \quad \cdots \cdots \cdots \cdots \quad 2,414,127
\]

\[
(OP_{B}^{'CR}) = \text{value of local business property, other than real property and inventory, committed to college-related business (model B-2.3)} \quad \cdots \cdots \cdots \cdots \quad 2,011,773
\]

\[
(PR_{B}^{'CR}) = \$16,476,588
\]

MODEL B-2.1

\[
(RP_{B}^{'CR})
\]

Value of Local Business Real Property Committed to College-Related Business

\[
(RP_{B}^{'CR}) = \frac{BV_{CR} \times V_{B}}{amv}
\]

\[
BV_{CR} = \text{college-related local business volume (model B-1)} \quad \cdots \cdots \cdots \cdots \cdots \quad \$40,235,451
\]

\[
BV_{L} = \text{local business volume} \quad \cdots \cdots \cdots \cdots \quad 257,070,000
\]

\[
V_{B} = \text{assessed valuation of local business real property} \quad \cdots \cdots \cdots \cdots \quad 9,656,000
\]

\[
amv = \text{local ratio of assessed value to market value of taxable real property} \quad \cdots \cdots \cdots \cdots \quad 12 1/2\%
\]

\[
(RP_{B}^{'CR}) = \frac{40,235,451 \div 257,070,000 \times 0.156 \times 9,656,000 \div 12 1/2\% \times 77,248,000}{12,050,688}
\]
MODEL B-2.2

\( (I_B)_{CR} \)

Value of Local Business Inventory Committed to College-Related Business

\[
(I_B)_{CR} = (ibv)(BV_{CR})
\]

\[
ibv = \text{inventory-to-business-volume ratio} \quad 0.06
\]

\[
BV_{CR} = \text{college-related local business volume (model B-1)} \quad \$40,235,451
\]

\[
(I_B)_{CR} = 0.06 \times 40,235,451 \quad \$2,414,127
\]

MODEL B-2.3

\( (OP_B)_{CR} \)

Value of Local Business Property, Other Than Real Property and Inventory, Committed to College-Related Business

\[
(OP_B)_{CR} = (ebv)(BV_{CR})
\]

\[
ebv = \text{equipment and machinery-to-business-volume ratio} \quad 0.05
\]

\[
BV_{CR} = \text{college-related local business volume (model B-1)} \quad \$40,235,451
\]

\[
(OP_B)_{CR} = 0.05 \times 40,235,451 \quad \$2,011,773
\]

C. Expansion of the Local Credit Base

Another secondary effect resulting from the economic activity of the college and of its associated personnel is the expansion of the credit base of local banks resulting from deposits by the college and its personnel and from the business activity they generate.
MODEL B-3

Expansion of the Local Banks' Credit Base
Resulting from College-Related Deposits

\[
CB = (1-t) [TD_c + (TD_F)(F_L) + (TD_S)(S_L)] \\
+ (1-d) [DD_c + (DD_F)(F_L) + (DD_S)(S_L) + (cbv)(BV_{CR})]
\]

- \( t \): local time-deposit reserve requirement \( = 0.03 \)
- \( TD_c \): average time deposit of the college in local banks \( = \$130,000 \)
- \( TD_F \): average time deposit of each faculty and staff person in local banks \( = \$878 \)
- \( F_L \): faculty and staff residing locally \( = 780 \)
- \( TD_S \): average time deposit of each student in local banks \( = \$50 \)
- \( S_L \): number of students living in the St. Cloud Area \( = 7,310 \)
- \( d \): local demand-deposit reserve requirement \( = 0.13 \)
- \( DD_c \): average demand deposit of the college in local banks \( = \$627,640 \)
- \( DD_F \): average demand deposit of each faculty and staff person in local banks \( = \$329 \)
- \( DD_S \): average demand deposit of each student in local banks \( = \$75 \)
- \( cbv \): cash-to-business volume ratio \( = 0.037 \)
- \( BV_{CR} \): college-related local business volume (model B-1) \( = \$40,235,451 \)
- \( CB \): \( = \$3,716,647 \)
D. Unrealized Local Business Volume

Colleges are in competition with all other economic enterprises for the dollars of their constituents. Within the vast and variegated college enterprise are business activities directly comparable to and competitive with businesses that might exist -- or do in fact exist -- in the community. College dormitories, for example, are in competition with existing or potential off-campus rental housing. College commissaries compete with local restaurants. College-sponsored films compete with those shown in local theaters, and student stores compete with local retail establishments.

MODEL B-4

\[(BV_U)^C\]

Local Business Volume Unrealized because of the Existence of College Enterprises

\[(BV_U)^C = (I_{BV})^C\]

\[(I_{BV})^C = \text{income received by the college from the operation of local and on-campus college-owned business enterprises (dormitories - both room and board charges -, Atwood snack bar, college book store, and Student Activities' income) } \ldots \ldots \ldots \ldots \ldots \$ 3,128,268\]

GOVERNMENT MODELS

Local government is the second sector of the local economy with which these models are concerned. This set of models is designed to reveal the effects of the presence of the college upon government revenues and expenditures. As
in the case of the business sector, the college is not considered as an isolated phenomenon, but rather as an institution with many associated individuals and activities.

A. College-Related Revenues Received by Local Governments

Model G-1 summarizes the annual tax receipts, state aid, and other local government receipts derived from the college and from college-related persons and business activities.

MODEL G-1

College-Related Revenues Received by Local Governments

\[
R_{CR} = (R_{RE})_{CR} + (R_{NRE})_{CR} + (R_{ST})_{CR} + (R_A)_{CR} + (R_Q)_{CR}
\]

\[
(R_{RE})_{CR} = \text{college-related real-estate taxes paid to local governments (model G-1.1)} \quad \text{\$1,231,692}
\]

\[
(R_{NRE})_{CR} = \text{college-related property taxes, other than real-estate, paid to local governments (model G-1.2)} \quad \text{144,848}
\]

\[
(R_{ST})_{CR} = \text{sales tax revenue received by local governments as a result of college-related local purchases (model G-1.3)} \quad \text{50,458}
\]

\[
(R_A)_{CR} = \text{state aid to local governments allocable to the presence of the college (model G-1.4)} \quad \text{198,128}
\]

\[
(R_Q)_{CR} = \text{other college-related revenues collected by local governments (model G-1.5)} \quad \text{52,531}
\]

\[
R_{CR} = \frac{1,677,657}{1,677,657}
\]
College-related real-estate taxes

Model G-1.1 estimates the annual payment of real-estate taxes to local governments by the college, by local faculty and staff, by local student living groups, and by local businesses for real property allocable to college-related business.

MODEL G-1.1

\[(R_{RE})_{CR} = (R_{RE})_{C} + (R_{RE})_{F} + (R_{RE})_{S} + (R_{RE,B})_{CR}\]

\[(R_{RE})_{C} = \text{real-estate taxes paid to local governments by the college (model G-1.1.1)} \quad \$ 0\]

\[(R_{RE})_{F} = \text{real-estate taxes paid to local governments by local faculty and staff (model G-1.1.2)} \quad 499,288\]

\[(R_{RE})_{S} = \text{real-estate taxes paid to local governments by local fraternities, sororities, and other student living groups (model G-1.1.3)} \quad 12,375\]

\[(R_{RE,B})_{CR} = \text{real-estate taxes paid to local governments by local businesses for real property allocable to college-related business (model G-1.1.4)} \quad 720,929\]

MODEL G-1.1.1

\[(R_{RE})_{C} = \text{Real Estate Taxes Paid to Local Governments by the College} \quad \$ 0\]
MODEL G-1.1.2

\( (R_{RE})_F \)

Real-Estate Taxes Paid to Local Governments by Local Faculty and Staff

\[
(R_{RE})_F = \left( (F_L)(1-f_H) \right) \left( \frac{V_{PR}}{N_{PR}} \right)
\]

- \( F_L = \) number of faculty and staff residing locally ............... 780
- \( f_H = \) proportion of local faculty and staff who rent housing (see model B-1.1.2.1) ....... 0.286
- \( pt = \) local property tax rate ................. 0.478
- \( V_{PR} = \) total assessed valuation of all local private residences ............... $18,744,000
- \( N_{PR} = \) total number of local private residences .... 9,973

\[
(R_{RE})_F = [780 \times 0.714] \times [0.478 \times \left( \frac{18,744,000}{9,973} \right)] ................. $499,288
\]

MODEL G-1.1.3

\( (R_{RE})_S \)

Real-Estate Taxes Paid to Local Governments by Local Fraternities, Sororities, and Other Student Living Groups

\[
(R_{RE})_S = (R_{RE})_{S1} + (R_{RE})_{S2} + \ldots + (R_{RE})_{Sn}
\]

\( (R_{RE})_S = \) real-estate taxes paid to local governments by local student living groups $ 12,375
MODEL G-1.1.4

\[(R_{RE,B}^{CR})\]

Real-Estate Taxes Paid Local Governments by Local Businesses for Real Property Allocable to College-Related Business

\[R_{RE,B}^{CR} = \left(\frac{BV_{CR}}{BV_L}\right) \times pt \times V_B\]

- \(pt\) = local property tax rate (see model G-1.1.2) ........................................... 0.478
- \(BV_{CR}\) = college-related local business volume (model B-1) .................................. $40,235,451
- \(BV_L\) = local business volume (model B-2.1) .............................................. 257,070,000
- \(V_B\) = assessed valuation of local business real property (see model B-2.1) ............ 9,656,000

\[R_{RE,B}^{CR} = 0.478 \times \left(\frac{\$40,235,451}{\$257,070,000}\right) \times 9,656,000 \times \$\] 720,029

College-related property taxes

Model G-1.2 is concerned with the payment of property taxes, other than real-estate, allocable to the college, e.g., inventory and other personal-property taxes.

MODEL G-1.2

\[(R_{NRE}^{CR})\]

College-Related Property Taxes, Other Than Real-Estate, Paid to Local Governments

\[R_{NRE}^{CR} = (R_{NRE,C}^{CR}) + (R_{NRE,F}^{CR}) + (R_{NRE,S}^{CR}) + (R_{NRE,B}^{CR})\]
\( (R_{NRE})_C \) = inventory and other nonreal-property taxes paid to local governments by the college ........... $ 0

\( (R_{NRE})_F \) = nonreal-property taxes paid to local governments by local faculty and staff ........... 0

\( (R_{NRE})_S \) = nonreal-property taxes paid to local government by local fraternities, sororities, and other student living groups ........... 0

\( (R_{NRE,B})_{CR} \) = inventory property taxes paid to local governments by local businesses for assets allocable to college-related business (model G-1.2.3) ........... $144,848

\( \text{MODEL G-1.2.3} \)

\( (R_{NRE,B})_{CR} \)

Inventory Property Taxes Paid to Local Governments by Local Businesses for Assets Allocable to College-Related Business

\( (R_{NRE,B})_{CR} = (t)(I_B)_{CR} \)

\( t \) = local inventory tax rate [12 1/2% of local property tax rate of 0.478, which is based on assessed values (which are 12 1/2% of market values), whereas \( (I_B)_{CR} \) is based on market values] ........... 0.06

\( (I_B)_{CR} \) = value of local business inventory committed to college-related business (same as in model B-2.2) ........... $2,414,127

\( (R_{NRE,B})_{CR} = 0.06 \times 2,414,127 \) ........... $ 144,848
Sales tax revenues

Model G-1.3 represents the sales tax revenues received by local governments as a result of college-related local purchases.

MODEL G-1.3

\[(R_{ST})_{CR}\]

Sales Tax Revenue Received by Local Governments as a Result of College-Related Local Purchases

\[(R_{ST})_{CR} = (st_{LG})(ST)\left(\frac{BV_{CR}}{BV_L}\right)\]

\[st_{LG} = \text{proportion of sales tax retained by local governments} \hspace{1cm} 0.134\]

\[ST = \text{total sales tax collected locally} \hspace{1cm} $2,413,817\]

\[BV_{CR} = \text{college-related local business volume} \hspace{1cm} 40,235,451\]

\[BV_L = \text{local business volume} \hspace{1cm} 257,070,000\]

\[(R_{ST})_{CR} = 0.134 \times \$2,413,817 \times \left(\frac{\$40,235,451}{\$257,070,000}\right) \hspace{1cm} \$50,458\]

State aid to local governments

Model G-1.4 summarizes another source of college-related revenue for the local governments. For local schools, and sometimes for other government operations, many states provide aid on the basis of population or of other criteria that the college might influence.
MODEL G-1.4

\[(R_A)^{CR}\]

State Aid to Local Governments Allocable to the Presence of the College

\[(R_A)^{CR} = (R_A)^{CH} + (R_A)^{PC}\]

\[(R_A)^{CH} = \text{state aid to local public schools allocable to children of college-related families (model G-1.4.1)} \quad \ldots \quad \$ \ 139,928\]

\[(R_A)^{PC} = \text{other state aid received by local governments on a per capita, service-unit, or tax-unit basis and influenced by the presence of the college, e.g., gasoline tax allocations, road maintenance subsidies, and so on} \quad \ldots \quad \$ \ 58,200\]

\[(R_A)^{CR} = \$ \ 198,128\]

MODEL G-1.4.1

\[(R_A)^{CH}\]

State Aid to Local Public Schools Allocable to Children of College-Related Families

\[(R_A)^{CH} = \frac{(CH_{PS})_F + (CH_{PS})_S}{CH_{PS}}\]

\[A_{PS} = \text{total state aid to local public schools} \quad \$ \ 4,664,271\]

\[(CH_{PS})_F = \text{number of faculty and staff children attending local public schools (see model G-2.2)} \quad \ldots \quad 343\]

\[(CH_{PS})_S = \text{number of students' children attending local public schools (see model G-2.2)} \quad 175\]

\[CH_{PS} = \text{total number of children attending local public schools (see model G-2.2)} \quad 16,059\]

\[(R_A)^{CH} = \$4,664,271 \times \frac{(343 + 175)}{16,059} \quad .\$ \ 139,928\]
Other college-related revenues

Model G-1.5 accounts for the diverse type of taxes not considered in the foregoing sections.

MODEL G-1.5

\( (R^Q)_{CR} \)

Other College-Related Revenues Collected by Local Governments

1. user charges for utilities, sewers, sanitation, etc., paid by the college ......... $ 43,012

2. other local revenues (parking fines paid by college persons) ......... $ 9,519

$ 52,531

B. Operating Cost of Local Government-Provided Municipal and Public School Services

The associated models in G-2 are intended to express the annual operating costs of government services that are provided to the college and/or to individuals related to the college. These operating costs include those for government-provided municipal services allocable to college-related influences, Model G-2.1, and those for local public schools allocable to college-related persons, Model G-2.2. (With respect to Model G-2.1, it is important to recognize that the population basis for allocating costs of services to a college area has the potential of overestimating the costs of services to the college by implicitly underestimating the services rendered to business establishments. Businesses are usually capital intensive, and, because a college is
usually labor intensive, the share of government expenditures allocated to it under this technique will probably be higher than it would be for an industrial installation.)

MODEL G-2

\[(OC_{M,PS})_{CR}\]

Operating Cost of Local Government-Provided Municipal and Public School Services Allocable to College-Related Influences

\[\text{\((OC_{M,PS})_{CR} = (OC_M)_{CR} + (OC_{PS})_{CR}\)}\]

\[\text{\((OC_M)_{CR} = \text{operating cost of local government-provided municipal services allocable to college-related influences (model G-2.1)}\) \quad \$ 1,485,656}\]

\[\text{\((OC_{PS})_{CR} = \text{operating cost of local public schools allocable to college-related persons (model G-2.2)}\) \quad \$ 552,728}\]

\[\text{\((OC_{M,PS})_{CR} = \text{\$ 2,038,384}\)}\]

MODEL G-2.1

\[(OC_M)_{CR}\]

Operating Cost of Government-Provided Municipal Services Allocable to College-Related Influences

\[\text{\((OC_M)_{CR} = \frac{(F_L + S_L \cdot FH_L + SH_L)}{(POP_{LD} + \frac{POP_{LR}}{2})} (B_M)\)}\]
(MODEL G-2.1 cont.)

\[ F_L = \text{number of faculty and staff residing locally (see model B-3)} \]

\[ S_L = \text{total number of students living in the St. Cloud Area (see model B-3)} \]

\[ \text{POPLD} = \text{total local daytime population} \]

\[ \text{PH}_L = \text{total number of persons in local faculty and staff households} \]

\[ \text{SH}_L = \text{total number of persons in local student households} \]

\[ \text{POPLR} = \text{total local resident population} \]

\[ B_{M} = \text{local governments' operating budgets for all municipal services except public schools} \]

\[ \text{POP}_{LR} = \text{total number of persons in local faculty and staff households} \]

\[ \text{POP}_{LR} = \text{total number of persons in local student households} \]

\[ \text{POPLD} = \text{total local resident population} \]

\[ \text{Local governments' operating budgets for public schools} \]

\[ \text{Operating Cost of Local Public Schools Allocable to College-Related Persons} \]

\[ (OC_{PS})_{CR} = \frac{\left( (CH_{PS})_F + (CH_{PS})_S \right)}{CH_{PS}} \cdot (BP_{PS}) \]

\[ (CH_{PS})_F = \text{number of faculty and staff children attending local public schools (same as in model G-1.4.1)} \]

\[ (CH_{PS})_S = \text{number of students' children attending local public schools (same as in model G-1.4.1)} \]

\[ CH_{PS} = \text{total number of children attending local public schools (same as in model G-1.4.1)} \]

\[ BP_{PS} = \text{local governments' operating budgets for public schools} \]

\[ (OC_{PS})_{CR} = \text{Operating Cost of Local Public Schools Allocable to College-Related Persons} \]
C. Value of Local Governments' Properties

Model G-3 indicates the dollar value of local government-owned capital facilities that exist in support of services provided to the college and to college-related individuals. It is related to model G-2, which did not consider capital costs. Model G-3 provides an estimate of related capital facilities without attempting to state how much capital outlay will be needed specifically to provide such services.

MODEL G-3

\[
GP_{CR} = \left( \frac{(OC_{M}^{CR})}{BM} \right)(GP_M) + \left( \frac{(OC_{PS}^{CR})}{BP_{PS}} \right)(GP_{PS})
\]

- \(OC_{M}^{CR}\) = operating cost of government-provided municipal services allocable to college-related influences (model G-2.1) .... $ 1,485,656
- \(BM\) = local governments' operating budgets for all municipal services except public schools (same as in model G-2.1) ... 8,739,155
- \(GP_M\) = value of all local government property except public schools ....... 28,681,451
- \(OC_{PS}^{CR}\) = operating cost of local public schools allocable to college-related persons (model G-2.2) ................. 552,728
- \(BP_{PS}\) = local governments' operating budgets for public schools (same as in model G-2.2) .................. 17,272,739
- \(GP_{PS}\) = value of all local government property associated with public schools ... 36,591,300
- \(GP_{CR}\) = ................. $ 5,973,580

\[
\text{GP}_{CR} = \left( \frac{(OC_{M}^{CR})}{BM} \right)(GP_M) + \left( \frac{(OC_{PS}^{CR})}{BP_{PS}} \right)(GP_{PS})
\]
D. Real-Estate Taxes Foregone through the College's Tax-Exempt Status

Model G-4 estimates the value of property taxes that the college would pay if it were subject to such taxes on its currently exempt holdings or, in other words, the amount of taxes foregone by local governments as a result of the college's tax-exempt status. The key assumption behind this model is that the assessed value of the college's land would be similar to that of other land in the contiguous community.

MODEL G-4

\[(RF_{RE})_C = \left[ R_{RE} - (R_{RE})_C \right] \left( \frac{G_C}{G_L} \right) - (R_{RE})_C \]

- \( R_{RE} \) = total real-estate taxes collected by local governments .................. $ 9,904,003
- \( (R_{RE})_C \) = real-estate taxes paid to local governments by the college .......... 0
- \( G_C \) = geographical area of the college (main campus plus Selke Field) (acres) .................. 86
- \( G_L \) = geographical area of St. Cloud, less the college area (acres) .................. 8,379
- \( (RF_{RE})_C \) = ......................................................... $ 99,040
E. Value of Self-Provided Municipal-Type Services

Model G-5 is designed to indicate the value of

municipal-type services provided by the college instead of

or in addition to those provided by local government.

MODEL G-5

\[(OC_M)'SC\]

Value of Municipal-Type Services Self-Provided by the College

\[(OC_M)'SC = \text{grounds maintenance and police protection} \quad 91,500\]

INDIVIDUAL MODELS

The third sector of the community influenced by the

presence of the college is the individual.

A. Number of Local Jobs Attributable to the Presence of the College

Model I-1 uses the following logic: if total college-related expenditures (obtained for model B-1.1) are added to the operating costs of government-provided municipal and public school services allocable to college-related influences, the resulting sum will be the total local expenditures that can be associated with the college. If one then multiplies these expenditures by the number of full-time jobs per dollar of direct expenditures in the local environment, \(j\), the number of local jobs created by college-related expenditures is obtained. This figure, added to the number of faculty and staff positions, yields the total number of local jobs attributable to the presence of the college.
MODEL I-1

\[ J_L = F + (j) \left[ (E_L)_{CR} + (O_{CM,PS})_{CR} \right] \]

\( F \) = total number of faculty and staff . . . . 887

\( j \) = full-time jobs per dollar of direct expenditures in the local environment . . 0.00008

\( (E_L)_{CR} \) = college-related local expenditures (model B-1.1) . . . . . . . . . . . . . . . . . . . $19,119,679

\( (O_{CM,PS})_{CR} \) = operating cost of government-provided municipal and public school services allocable to college-related influences (model G-2) . . . . . . . . . . . . . . . . . . . 2,038,384

\[ J_L = 887 + 0.00008 (19,119,679 + 2,038,384) \] . . 2,580

B. Personal Income of Local Individuals from College-Related Jobs and Business Activities

Model I-2 expresses the total personal income of local individuals from college-related jobs and business activities. Two types of personal income are considered; the first is that of locally resident faculty and staff. The second type of personal income is that related to jobs, other than faculty and staff positions, attributable to the presence of the college.
MODEL I-2

\[ \text{PI}_{\text{CR}} = (f_L)(W_F) + (p)(E_{L\text{CR}}) \]

- \( f_L \): proportion of faculty and staff residing locally (see model B-1.1.2.1) = 0.8859
- \( W_F \): gross compensation to faculty and staff = $9,185,100
- \( p \): payrolls and profits per dollar of local direct expenditures = 0.6700
- \( E_{L\text{CR}} \): college-related local expenditures (model B-1.1) = $19,119,679

\[ \text{PI}_{\text{CR}} = (0.8859 \times 9,185,100) + (0.6700 \times 19,119,679) = 20,947,264 \]

C. Durable Goods Procured with Income from College-Related Jobs and Business Activities

The final model, I-3, indicates durable goods procured with income from college-related jobs and business activities.

MODEL I-3

\[ \text{DG}_{\text{CR}} = (1)(\text{PI}_{\text{CR}}) \]

- \( i \): proportion of total income typically used to purchase durable goods = 0.03
- \( \text{PI}_{\text{CR}} \): personal income of local individuals from college-related jobs and business activities (model I-2) = $20,947,264

\[ \text{DG}_{\text{CR}} = 0.03 \times 20,947,264 = 628,418 \]
MODEL B-1: College-Related Local Business Volume $40,235,451

MODEL B-2: Value of Local Business Property Committed to College-Related Business... $16,476,588

MODEL B-3: Expansion of the Local Banks' Credit Base Resulting from College-Related Deposits... $3,716,647

MODEL B-4: Local Business Volume Unrealized because of the Existence of College Enterprises... $3,128,268

MODEL G-1: College-Related Revenues Received by Local Governments... $1,677,657

MODEL G-2: Operating Cost of Local Government-Provided Municipal and Public School Services Allocable to College-Related Influences... $2,038,384

MODEL G-3: Value of Local Governments' Properties Allocable to College-Related Portion of Services Provided... $5,973,580

MODEL G-4: Real-Estate Taxes Foregone through the Tax-Exempt Status of the College... $99,040

MODEL G-5: Value of Municipal-Type Services Self-Provided by the College... $91,500

MODEL I-1: Number of Local Jobs Attributable to the Presence of the College... 2,580

MODEL I-2: Personal Income of Local Individuals from College-Related Jobs and Business Activities... $20,947,264

MODEL I-3: Durable Goods Procured with Income from College-Related Jobs and Business Activities... $628,418
VI. SUMMARY AND CONCLUSIONS

In answer to their own question as to whether the cost of having a college or university in a community out-
weighs the revenue gained thereby, the authors of the Coun-
cil's study state that "no single figure tells the story or answers the question. There are many kinds of economic im-
pacts, and they cannot simply be added up to one meaningful red or black sum."16 With that proviso in mind, the follow-
ing summary and conclusions are offered.

Property Tax Losses and Other College-Related Costs

(A) Property tax revenue lost by the City of St. Cloud in 1971 as a consequence of residential properties having been removed from the tax rolls incident to the expansion of St. Cloud State College in the past twenty years amounted to $30,402, which was 1.1 per cent of 1971 tax levies and was .37 per cent (thirty-seven hundredths of one per cent) of 1971 total city revenue from all sources other than the sale of bonds. Further, if account is taken of the new res-
idences built within the city limits by some of the citizens whose former residences were purchased by the State, the city tax loss amounted to approximately $20,278, which was .72 per cent of the 1971 city tax levy and was .25 per cent of 1971 total city revenue from all sources other than the

16 Ibid., p. 1.
sale of bonds.

(B) Model G-4 estimates the real-estate taxes foregone by local governments through the tax-exempt status of the college to be $99,040. This was for all levels of government and compares favorably with the computed tax loss on the greatest part of the present campus area of $106,006 for the city, county, and school district (as noted on p. 5).

(C) Subjective estimates of other costs to the city, incident to the presence of the college in the city, were $356,212. This, plus the adjusted tax loss of $20,278, constituted total college-related costs and comprised 4.6 percent of 1971 total city revenue from all sources other than the sale of bonds.

(D) Model G-2.1 estimates the operating cost of local government-provided municipal services allocable to college-related influences to be $1,485,656. This was for St. Cloud, Sauk Rapids, Waite Park, and Sartell, although the greatest part is applicable to St. Cloud. However, as noted on pages 70-71, the population basis for allocating costs of services to a college area has the potential of overestimating the costs of services to the college. Model G-2.2 estimates the operating cost of local public schools (St. Cloud, Sauk Rapids, and Sartell school districts) allocable to college-related persons to be $552,728.

Benefits Accruing to the City and to the Area Economy

(A) As summarized on page 46, total spending in St.
Cloud by college-related groups and individuals in 1971 was approximately $20,600,786. Therefore, the indirect contribution of St. Cloud State College to St. Cloud city revenue in 1971 was approximately $913,583, computed as follows:

$20,600,786 \times 0.044347 = $913,583.

(B) The imput-output model of Section IV indicates that $988,463 accrued indirectly to local government in the form of taxes (as noted on p. 49).

(C) Models G-1.1, G-1.2, and G-1.3 estimate college-related tax revenues received by local governments to be $1,426,998. This pertains to all three levels of local government -- city, county, and school district. Total college-related revenues received by local governments, as indicated in Model G-1, are estimated at $1,677,657.

(D) Spending in the St. Cloud Area by faculty, staff, students, schools, institutes, and bureaus of St. Cloud State College, by ARA Slater School and College Services, and by visiting groups and individuals totaled approximately $21,303,081 in the calendar year 1971. As indicated in Table XXII, this college-related spending had an ultimate effect on the St. Cloud Area economy in 1971 amounting to approximately $45,818,666. Model B-1 indicates college-related local business volume to be approximately $40,235,451. It is thus apparent that St. Cloud State College is a major source of income for the St. Cloud Area economy.
Other benefits are: Model B-3 indicates that local banks' credit base has been expanded by approximately $3,716,647 as a result of college-related deposits and Model I-1 estimates that there are 2,580 local jobs attributable to the presence of the college.

Implications for the Future

According to the college's Director of Institutional Research, the projected full-and-part-time, on-campus enrollment at the college in the year 1980 is 10,550. Projected enrollments are based on two factors: (1) increasing college-age population in Minnesota, and (2) changes in the proportion of this age group who will attend college.

Institutional Research has also projected full-and-part-time summer students in the year 1980 to be 3,798 (average for the two sessions). This is equivalent to 1,266 students for an academic year.

Accordingly, St. Cloud State College may have an additional 2,271 full-and-part-time, on-campus students in 1980 (including full-and-part-time summer students). Assuming that student spending and other college-related spending increase at the same rate as 1971 spending, the indirect contribution of St. Cloud State College to St. Cloud city revenue in 1980 will be approximately $1,130,920, computed as follows:

(1) 1971 college-related spending in the City of
St. Cloud of $20,600,786 divided by 9,545 students = $2,158 average per-student expenditure.

(2) $2,158 average student expenditure X 2,271 additional students in 1980 = $4,900,818 additional college-related expenditures in 1980.


(4) $25,501,604 X 0.044347 = $1,130,920 (at 1971 prices).

It is also possible to estimate the impact St. Cloud State College will have on the entire St. Cloud Area economy in 1980. Table XXII reveals that the sum of the industry multipliers is 2.1508, that is, each dollar of college spending results in 2.1508 dollars of income in the St. Cloud Area economy. Accordingly, the projected total college-related spending in the St. Cloud Area in 1980 will produce approximately $56,720,797 of additional income for the St. Cloud Area economy, computed as follows:

(1) 1971 college-related spending in the St. Cloud Area of $21,303,081 divided by 9,545 students = $2,232 average per-student expenditure.

(2) $2,232 average student expenditure X 2,271 additional students in 1980 = $5,068,872 additional college-related expenditures in 1980.
(3) 1971 college-related expenditures of $21,303,081
+ 1980 additional college-related expenditures of $5,068,872
= total college-related spending of approximately $26,371,953
in 1980 (at 1971 prices).

(4) Total college-related spending in 1980 of
$26,371,953 \times 2.1508 = $56,720,797 (at 1971 prices) of addi-
tional income for the St. Cloud Area economy.

The college will therefore continue to have a power-
ful effect on St. Cloud and the Area economy. While the col-
lege's rate of growth over the next decade apparently will not
be as spectacular as in the past decade, it will experience
solid, steady growth and, "as an economic, cultural and social
force that is inextricably woven into the fabric of the City"\footnote{The Hodne/Stageberg Partners, Inc., St. Cloud State College Development Concept (Minneapolis: February, 1971), p. 18.} it will continue to play a dynamic, forceful, essential role
in the life of the city and its environs.
APPENDIX A

PROCEDURES FOR STATE ACQUISITION OF PROPERTY FOR PUBLIC USES

RELOCATION ASSISTANCE INFORMATION
PROCEDURES FOR STATE ACQUISITION OF PROPERTY FOR PUBLIC USES

The following information has been abstracted from a pamphlet issued by the Minnesota Department of Highways entitled "Minnesota Highways and Your Property," 1971. More detailed information may be obtained from the college Director of Campus Planning, from the state Land Division Office, and from the Minnesota Department of Highways.

How the State Acquires Property for Public Uses

Under Minnesota law, the state and other governmental bodies and agencies may acquire property by gift, direct purchase, or eminent domain proceedings. This right may be used to acquire private property for such public purposes as schools, water supply lines, playgrounds, recreation facilities and highways.

Procedure for Property Acquisition by Direct Purchase

Under the direct purchase method of acquisition, representatives of the state deal directly with the property owner. A professional appraiser will endeavor to determine the value of the property to be acquired by the state. When the appraisal of the property has been completed, the owner will receive a written offer in an amount which the state feels justly compensates him. This offer will be presented personally, whenever practical, or by mail.
The offer is based on appraisals of the property made by qualified real estate appraisers retained by the state and is based primarily on studies of recent sales of property in the vicinity of owner's property; when applicable, the income and cost approaches to determining market value are also taken into consideration. The offer is firm and not subject to negotiation, except in cases where an item or items of damages were overlooked by the appraisers; in this event, a reappraisal will be made.

The owner will have a reasonable length of time to consider the offer.

By agreement, the owner may retain and remove any or all improvements located on his property, but removal of such improvements must be made at owner's own expense. Salvage value of the improvements retained will be deducted from the amount of the offer.

In addition to receiving the market value of the property taken, owners are entitled to payment for some of the costs of moving personal property and for appraisal fees. In order to be eligible to receive moving costs, displacees must occupy the property and be either a fee owner, contract for deed purchaser, a lease holder, or a renter. If a home, business or farm is acquired, the state will pay the costs of moving personal property. Costs are not allowed for the moving of personal property beyond a distance of 50 miles. If the owner or his representative have employed the services
of an appraiser, the state may reimburse him up to $300.00 for this cost. This amount is set by law.

Displacees are required to submit a written claim for such expenses to the state if they desire reimbursement for moving costs and appraisal fees. This claim must be supported by original receipts or other acceptable evidence before payment will be made. The state will furnish forms and assistance in making the proper claim. (See additional information in the section entitled "Relocation Assistance Information."

If owner elects to accept the purchase offer, he will be asked to sign two instruments of acquisition granting the state the right to purchase the property. One is an offer to sell, including a memorandum of conditions, the other is the actual instrument of conveyance, subject to and conditional upon written acceptance of the instruments of acquisition by the state. The state will at its own expense furnish all the necessary examination of title, and record the instruments of conveyance.

After the documents have been recorded, payment will be processed. If there is a mortgage and all or a major portion of the property is being acquired, a separate check payable to the mortgagee will be drawn for the amount of the balance of the mortgage plus interest to the date of payment. When the checks are ready for delivery, one check will be mailed to the mortgagee, who will in turn give the state a
satisfaction of mortgage to be recorded by the state. The check for the amount of the balance due owner will then be mailed.

If only a part of the property is to be acquired, the state will ask for a partial release of the mortgage. The check will be mailed to owner; owner and his mortgagee must then agree on a distribution of the money. Any fee charged by the mortgagee for issuing a partial release or for a prepayment penalty must be borne by owner. If owner has a clear title, the only expense of conveyance will be for state deed tax stamps. The state's representative will inform owner of the necessary amount. When the property is acquired, owner will be furnished a claim form in which he may request reimbursement for the cost of the deed tax stamps and for fees charged by his mortgagee for a partial release or prepayment penalty.

If all or a major portion of the property is being acquired, it will be necessary that all current and delinquent real estate taxes, as well as all special assessments, be paid in full. If only a small portion of the property is being acquired, any delinquent taxes must be paid, although in some instances the state may be able to record the documents notwithstanding current real estate taxes due. A state representative is available to advise owner on payment of taxes due.

If owner does not wish to receive all proceeds from
the sale in one year, he may, at the time he delivers the conveyance to the state, request that payment be made in not more than four annual installments. No interest can be allowed, however, on deferred payments.

If owner elects to accept the direct purchase offer, payment will be made in the regular course of the state's business after payment of taxes, assessments, mortgages, and all other liens or encumbrances against the property.

After the property has been acquired, persons being displaced will be given at least 90 days and in most cases 120 days in which to vacate. Displacees will be notified by letter of their vacation date.

If displacee is a tenant or lessee, he is required to continue to pay rent to the owner during this 90 or 120 day period. If tenant or lessee pays his own utilities, such as gas or lights, he continues to pay for them unless otherwise advised by his relocation advisor.

Owners are required to keep the building in good repair and keep in force adequate insurance during this period of occupancy.

If owners elect to reject the direct purchase offer, the state will proceed to acquire the property through eminent domain proceedings.

Procedure for Land Acquisition Through Eminent Domain Proceedings

Eminent domain proceedings are commenced by the state
when it is not possible to agree on terms for the purchase of
the property directly from owner or when property has an
unmerchantable title. These proceedings are commenced early
enough so that the state can be assured that the property will
be acquired and vacated in time to meet construction contract
requirements.

Eminent domain proceedings are commenced by the
filing of a petition with the Clerk of Court and service of a
copy thereof in the form of a notice of a hearing on the
property owner. This petition requests the court to appoint
three qualified and disinterested residents of the county in
which the land is located, to act as commissioners to appraise
the damages the property will, in their opinion, sustain as
a result of the taking.

The notice will inform the owner of the terms of
the acquisition and of the date, place and time that the
hearing on the petition will be held. The notice will describe
the property to be acquired, and will contain a list of the
names of all parties who are shown to have an interest in the
property.

The hearing on the petition is held in the Court
House of the county in which the property is located. A
lawyer from the office of the Attorney General will formally
present the petition to the court.

When the three court-appointed commissioners have
taken their oath of office, they will arrange for hearings
and viewings with the owner and other affected property owners.
The chairman of the commission will inform the owner of the time that the viewings and hearings will be held.

The chairman of the commission, who presides over the hearings, will most likely invite the owner to express his opinion as to the amount of damages he feels his property has sustained, and to furnish such evidence as he may wish to present to the commissioners for purposes of assisting them in determining an award of damages. Owner may represent himself at these hearings or he may choose to be represented by legal counsel. He should understand that he bears the cost of any attorney's fees; whether or when he requires an attorney is at his discretion.

The Constitutions of the United States and the State of Minnesota provide that property cannot be acquired, damaged, or destroyed for public purposes without payment of just compensation.

The state eminent domain law sets forth procedures which guarantee full compliance with these requirements. The courts of Minnesota have interpreted "just compensation" to mean that the owner is entitled to the fair market value of the property which is acquired for public purposes. Fair market value is generally defined to mean that amount which a willing buyer would pay and which a willing seller would accept when neither party is forced to sell or buy. For example, if only a portion of the property is acquired, owner is entitled to the difference between the fair market value
of the property as it existed before the acquisition and the fair market value of the property as it exists after the acquisition. If all of the property is acquired, then the owner is entitled to the fair market value of the entire property. Owner may wish to retain a real estate appraiser to provide him with information and an opinion of the market value of the property. The commissioners may in their discretion allow reimbursement for an appraisal not to exceed $300.00.

Appealing the Commissioner's Award of Damages

It is important to note that, if owner is dissatisfied with the commissioner's award, he has the right to take an appeal to the District Court from that award. This will be the first time that it might be essential for him to engage the services of a lawyer. This is a matter of choice; the legal expense involved is borne by the owner. The state also has the right to take an appeal from the award. Any appeal must be taken within 40 days from the date the commissioners file their award, and must be filed with the Clerk of District Court.

(Note: the 40 days are counted from the date of the filing of the commissioner's award with the Clerk of District Court, not from the date owner receives notice of the award from the state.) If the state appeals the award, owner will be notified by letter from the Office of the Attorney General. The law provides that unless proper appeal
is taken by either party within 40 days, neither party can amend or adjust the amount, terms, or conditions of the award.

If no appeal is taken, payment will usually be made within 40 days to 60 days after the expiration of the 40-day appeal.

If only one party appeals from the award of commissioners the appealing party may later dismiss his appeal and the award plus interest will be paid.

About three weeks after the filing of an appeal by either party, partial payment may be made to owner. Maximum partial payment under any circumstances cannot exceed 75 per cent of the award of the court-appointed commissioners. If owner so requests, the state will pay 75 per cent of the award; the state may, however, request the court to reduce the amount of partial payment. A partial payment, when no request has been made, will be in the amount of the state's appeal figure or an amount which is 75 per cent of the award, whichever is the smaller amount. If owner refuses to accept the partial payment offer, the check will be canceled and a new check will be issued in the same amount and deposited with the Clerk of District Court. All persons named on the original check will be sent a notice of the deposit with the District Court. Partial payment checks are made payable to the holder of title and anyone else who has a vested interest in the property. It may include the County Treasurer of the county in which the property is located when there is any tax liability on the part of the property owner to the date
of the state's acquisition, which date is concurrent with the filing of the state's petition.

When the state shall require title and possession of all or part of the owner's property prior to the filing of an award by the court appointed commissioners, at least 90 days prior to the date on which possession is to be taken, the state shall notify the owner of the intent to possess the property by a notice served by registered mail and shall pay to the owner or deposit with the court an amount equal to the state's approved appraisal value.

**Determination of "Just Compensation" by a Jury**

If owner or the state, or both, appeal to the District Court, the compensation to which owner is entitled becomes a question to be decided in a trial by jury. Simply because an appeal is taken by either party does not necessarily mean the matter will go to court; the state will make a diligent effort to settle the case prior to trial. However, as noted earlier, the law provides the state cannot amend or adjust the amount of the commissioner's award unless proper appeal is taken by either party within the time allowed.

If the appeal is settled out of court, owner can usually expect final payment within 30 to 60 days of receipt by the state of a properly signed stipulation and settlement. If the appeal goes to trial in District Court, final payment can be expected within 30 to 60 days after the jury returns its verdict, unless the verdict is appealed from, in which
RELOCATION ASSISTANCE INFORMATION

The following information has been abstracted from a brochure entitled "State of Minnesota Department of Highways Relocation Assistance Information," Form 25348 (6-71 Rev.). More detailed information may be obtained from the college Director of Campus Planning, from the state Land Division Office, and from the Minnesota Department of Highways.

The principal intent of the relocation assistance provisions is that any displaced family is guaranteed relocation in "decent, safe, and sanitary" housing.

Relocation Payments

An individual, family, business or farm operation displaced due to acquisition for public uses may be eligible for relocation payments and services depending upon the date of occupancy, as follows:

A. The eligibility date is that date upon which negotiations are initiated with the owner (date of purchase offer). To explain this more fully, the date the state makes an offer to the owner of the property establishes the eligibility date. Displacees must be in occupancy on this date to be eligible for relocation payments. The state will record the names of all owners and tenants on this date.

B. Anyone who moves onto the property after the offer
has been made to the owner is not eligible for relocation payments. Also, anyone who obtains legal ownership of a replacement dwelling prior to the initiation of negotiations on the project is not eligible for a replacement housing supplemental payment.

Displacees will be divided into separate classes as follows:

1. Owner-occupants.
   a. Owner-occupants of dwellings who have owned and occupied the property for at least 180 days may be eligible for the following payments:
      (1) Reimbursement of actual moving expenses, supported by receipted bills or other evidence of expenses incurred in moving their personal property; however, reimbursement cannot exceed the estimated cost of moving commercially. Displacees may be reimbursed for time spent in packing, unpacking, disconnecting, reconnecting, etc.
      (2) Instead of accepting payment by the above method displacees may accept a payment for moving expenses that is determined by a fixed schedule depending upon the number of rooms. The total amount may not exceed $300.00 plus a dislocation allowance of $200.00. The dislocation allowance is intended to provide payment for packing, unpacking, disconnecting, reconnecting and time spent in searching for a replacement home.
(3) Owner-occupants may be eligible to receive an amount not to exceed $15,000.00 which may include a supplemental payment, interest differential and closing costs for replacement housing provided they purchase and occupy a decent, safe and sanitary home within one year after the date they were required to move from their home. This will be more fully explained at a later date by displacee's relocation advisor. It is very important that displacees consult with a relocation advisor before they purchase a replacement home so as to comply with the eligibility requirements.

(4) If owner-occupants decide not to purchase another home and decide to rent, they may be eligible for a supplemental rent payment. The amount, if any, will be determined by a formula and will be more fully explained by the relocation advisor.

(5) Displacees may be entitled to receive payment for incidental expenses such as the costs incurred while selling their home to the state, recording fees, transfer taxes, pro-rata portion of taxes, etc.

(6) Displacees may be entitled to costs incurred in purchasing a replacement home, commonly referred to as closing costs.

(7) Displacees may be entitled to the difference in interest costs between their existing mortgage and any new mortgage required on their replacement home. This
payment will consist of the difference in interest for a length of time equal to the time remaining on their present mortgage.

b. Owner-occupants of less than 180 days but more than 90 days may be eligible for the following payments:

(1) Reimbursement of actual moving expenses supported by receipted bills or other evidence of expenses incurred in moving their personal property; however, reimbursement cannot exceed the estimated cost of moving commercially. They may be reimbursed for time spent in packing, unpacking, disconnecting, reconnecting, etc.

(2) Instead of accepting payment by the above method, they may accept a payment for moving expenses that is determined by a fixed schedule depending upon the number of rooms. The total amount may not exceed $300.00 plus a dislocation allowance of $200.00. The dislocation allowance is intended to provide for time spent in packing, unpacking, disconnecting, reconnecting, etc.

(3) They are not eligible for a replacement housing payment; however, they may be eligible for a rent supplement. This money is intended to help pay any additional rental costs for their new home. This amount may also be used as a down payment to purchase a dwelling. Any amount they may be allowed will be determined by a formula. The total amount may not exceed $4,000.00
nor payment computed for a period longer than four years.

If they elect to rent, any amount in excess of $500.00 will be paid in four annual installments.

(4) Eligible to receive payment for incidental expenses such as the costs incurred while selling their home to the state, recording fees, transfer taxes, prorata portion of taxes, etc.

(5) If they decide to purchase another home they may be entitled to costs incurred in purchasing the home, commonly referred to as closing costs.

2. Tenants. Tenants for at least 90 days prior to initiation of negotiations may be eligible for the following payments:

a. Reimbursement of actual moving expenses supported by receipted bills or other evidence of expenses incurred in moving their personal property; however, reimbursement cannot exceed the estimated cost of moving commercially.

b. Instead of accepting payment by the above method, they may accept a payment for moving expenses that is determined by a fixed schedule depending upon the number of rooms. The total amount may not exceed $300.00 plus a dislocation allowance of $200.00. The dislocation allowance is intended to provide for time spent in packing, unpacking, disconnecting, reconnecting, etc.

c. They are not eligible for a replacement housing payment; however, they may be eligible for a rent supplement.
This money is intended to help pay any additional rental costs for their new home. This amount may also be used as a down payment to purchase a dwelling. Any amount they may be allowed will be determined by a formula. The total amount may not exceed $4,000.00 nor payment computed for a period longer than four years. Any amount in excess of $500.00 will be paid in four annual installments.

   a. Entitled to reimbursement of actual moving expenses, supported by receipted bills or other evidence of expenses incurred; however, reimbursement cannot exceed the estimated cost of moving commercially. This may include time spent in packing, unpacking, disconnecting, reconnecting, etc.
   b. Owner may accept an amount equal to the lowest of two bids received from reliable moving firms. The bids will be obtained by the state before the move occurs.
   c. In lieu of the above, the owner of a business may elect to receive an amount equal to his average annual net earnings of the business. An "in lieu" payment may not be less than $2,500.00 nor more than $10,000.00 provided:
      (1) The business cannot be relocated without a substantial loss of its existing patronage.
      (2) The business is not part of a commercial enterprise having at least one other establishment which is engaged in the same or similar business which is not being acquired by the state or the United States.
(3) The business contributes materially to the income of the displaced owner.

(4) The term "average annual net earnings" means 1/2 of any net earnings of the business before federal, state and local income taxes during the two taxable years immediately preceding the taxable year in which such business moves from the real property.

d. Actual reasonable expenses in searching for a replacement business may be allowed but payment shall not exceed $500.00.

4. Farms. A displaced farm operation is eligible for the same payments as a business except, to be eligible for a payment in lieu of moving expenses the following requirements must be met:

   a. The farm operator must discontinue or relocate his entire farm operation from the present location.

   b. In the case of a partial taking, the property remaining after the acquisition is no longer an economic unit as determined by the state during its appraisal process.

Moving Procedures

Displacees may move in any manner they wish; however, they should consult their relocation advisor before they move so that the proper documentation is obtained.

1. Displacees may hire any moving company of their choice (it is suggested that the yellow pages be consulted for a
complete list). They must pay the mover after their personal property has been moved and obtain a receipt from him stating the number of men and vans used and the number of hours worked. The receipt must be marked "Paid in Full" and be signed by a representative of the moving company.

2. Displacees may elect to move themselves and after the move their relocation advisor will assist them in preparing an affidavit for payment. As mentioned earlier, a self move cannot exceed the cost of moving commercially.

3. Storage costs may be allowed if it is necessary to store personal property while waiting for another home. Storage costs will not be allowed unless the relocation advisor has given approval prior to storage of personal property.

Appeal Procedure

Any person requesting a review of the state's determination of his eligibility for or the amount of a replacement housing payment, rent supplement, interest differential payment or closing costs must submit such a request no later than eighteen months after the date on which the displaced individual or family vacates the property acquired or six months after final payment of a case in eminent domain proceedings, whichever is later.

A request for review of the amount of reimbursement for moving costs or incidental cost payment must be submitted within ninety days after the date on which the payment has been mailed.
APPENDIX B

QUESTIONNAIRE SENT TO FORMER PROPERTY OWNERS

FACULTY AND STAFF QUESTIONNAIRE

INFORMATION FORM SURVEYING STUDENT EXPENDITURES IN THE ST. CLOUD AREA

INFORMATION FORM SURVEYING FRATERNITY/SORORITY EXPENDITURES
February 1, 1972

Mr. & Mrs. John Q. Citizen
1234 Any Avenue South
St. Cloud, Minnesota 56301

Dear Mr. & Mrs. Citizen:

The St. Cloud State College is conducting a study into the impact upon the local community of the College's rapid expansion in the past several years. As a part of the study, it is necessary that we obtain information regarding actions taken by residents to obtain housing accommodations following the sale of their residences to the College. Accordingly, we would appreciate it very much if you would indicate, by placing a check mark in the appropriate space below, which action was applicable to your case. If none of the listed actions was applicable to your situation, please explain briefly under "Other action."

--- I built a new residence within the city limits of St. Cloud.

--- I built a new residence outside the city limits of St. Cloud.
(Note: A new house, built by a developer or contractor, would be considered as having been "built" by you if you were the first owner and occupant.)

--- I bought an existing house in the St. Cloud area. The former owner, to the best of my knowledge, did ___ did not ___ build a new residence within the city limits of St. Cloud.

--- I moved into a rented house or apartment.

--- I did not reside in the house prior to sale to the College. To the best of my knowledge, the tenants at the time of the sale did ___ did not ___ build a new house within the city limits of St. Cloud.

--- Other actions:

A self-addressed envelope is enclosed for your convenience. Postage will be paid by the college.

Sincerely yours,

G. K. Gamber
Economics Department
FACULTY AND STAFF QUESTIONNAIRE

1. What is your college status? (Check one.)
   A. ____ Faculty.
   B. ____ Staff.

2. How many persons are there in your household?
   A. How many are children? _______
   B. How many of those children attend public schools? _______

3. Where is your residence? (Check one.)
   A. ____ In the corporate limits of St. Cloud.
   B. ____ In Waite Park, Sauk Rapids, Sartell, or in the townships of St. Cloud, Le Sauk, or Haven.
   C. ____ In a community other than those listed in A and B.

4. In what type of housing do you reside? (Check one.)
   A. ____ Rented house, apartment, or mobile home.
   B. ____ Own house or mobile home.
   C. ____ With parents.

5. Please estimate your average monthly expenditures in the following categories: (Use even dollar amounts.)
   A. _____ Rental expense.
   B. _____ Food expense.
   C. _____ All other expenses.

6. What is the total annual income of all persons in your household:
   (Use even dollar amounts.)
   A. Before payroll deductions? _______
   B. After payroll deductions? _______

7. What is your approximate monthly expenditure in business establishments located in the following communities: (Use even dollar amounts.)
   A. _____ St. Cloud.
   B. _____ Waite Park, Sauk Rapids, Sartell, or in the townships of St. Cloud, Le Sauk, or Haven.

8. What are your average balances in the following categories? (Use even dollar amounts.)
   A. Local bank checking accounts. ______
   B. Local bank savings accounts. ______
   C. Local credit union savings. ______
   D. Local savings and loan institution savings accounts. ______
STUDENT EXPENDITURES IN THE ST. CLOUD AREA

(The St. Cloud Area is here defined as consisting of the cities of St. Cloud, Waite Park, Sauk Rapids, and Sartell, and the townships of St. Cloud, Le Sauk, and Haven.)

PART I: Please check the one category that pertains to you.

___ 1. Married and commuting from outside the St. Cloud Area.
___ 2. Married and residing in the St. Cloud Area temporarily.
___ 3. Married and residing in the St. Cloud Area permanently.
___ 4. Single student and living on-campus, or in a fraternity or sorority house.
___ 5. Single student and living off-campus in the St. Cloud Area (other than in a fraternity or sorority house).
___ 6. Single student and commuting from outside the St. Cloud Area.
___ 7. Single student and a resident of the St. Cloud Area.

PART II: Please complete the following by writing in an estimate of your expenditures for a typical quarter. Include only money you spend in the St. Cloud Area. Make estimates in even dollar amounts.

___ 1. Recreation and entertainment.
___ 2. Clothing.
___ 3. Laundry and dry cleaning.
___ 4. Medical and health. (Doctor, dental, and hospitalization; drugs and medicines; premiums for health insurance policies.)
___ 5. Grooming needs.
___ 6. Snacks and refreshment (off-campus).
___ 7. Food (off-campus, e.g., students in Part I, category 4 should not include amounts paid to Garvey Commons, dormitory, fraternity, or sorority dining rooms).
___ 8. Rent (off-campus, i.e., amounts paid for board in campus dormitories or to fraternity or sorority houses should not be included).
___ 9. Contributions to church and other organizations.
___ 10. Automobile expenses. (Automobile purchases, gasoline, oil, servicing, repairs, insurance, and fines for traffic violations.)
___ 12. Transportation (other than automobile) and utilities (telephone, electricity, water, etc.).
___ 13. Insurance (other than automobile and health) and finance (interest on real estate and consumer loans).
INFORMATION FORM

1. Type of student living group: (Check one)

   __________

   Fraternity.

   __________

   Sorority.

2. What is your monthly expenditure for rent?

3. What are your total monthly operating expenditures, including food?

4. What is the approximate percentage of your operating expenditure spent in the St. Cloud Area?

5. What are your annual real-estate taxes?